

**COMMON AREA**

HALLWAY	1550
CORRIDOR	440
DECK	57
PRIVATE SPACE	193
TOTAL	250

PRIVATE REVISION SPACE  
 11

UNIT 101

1ST FLOOR

UNIT 102

2ND FLOOR

UNIT 103

3RD FLOOR

DATE	
BY	
REVISION	

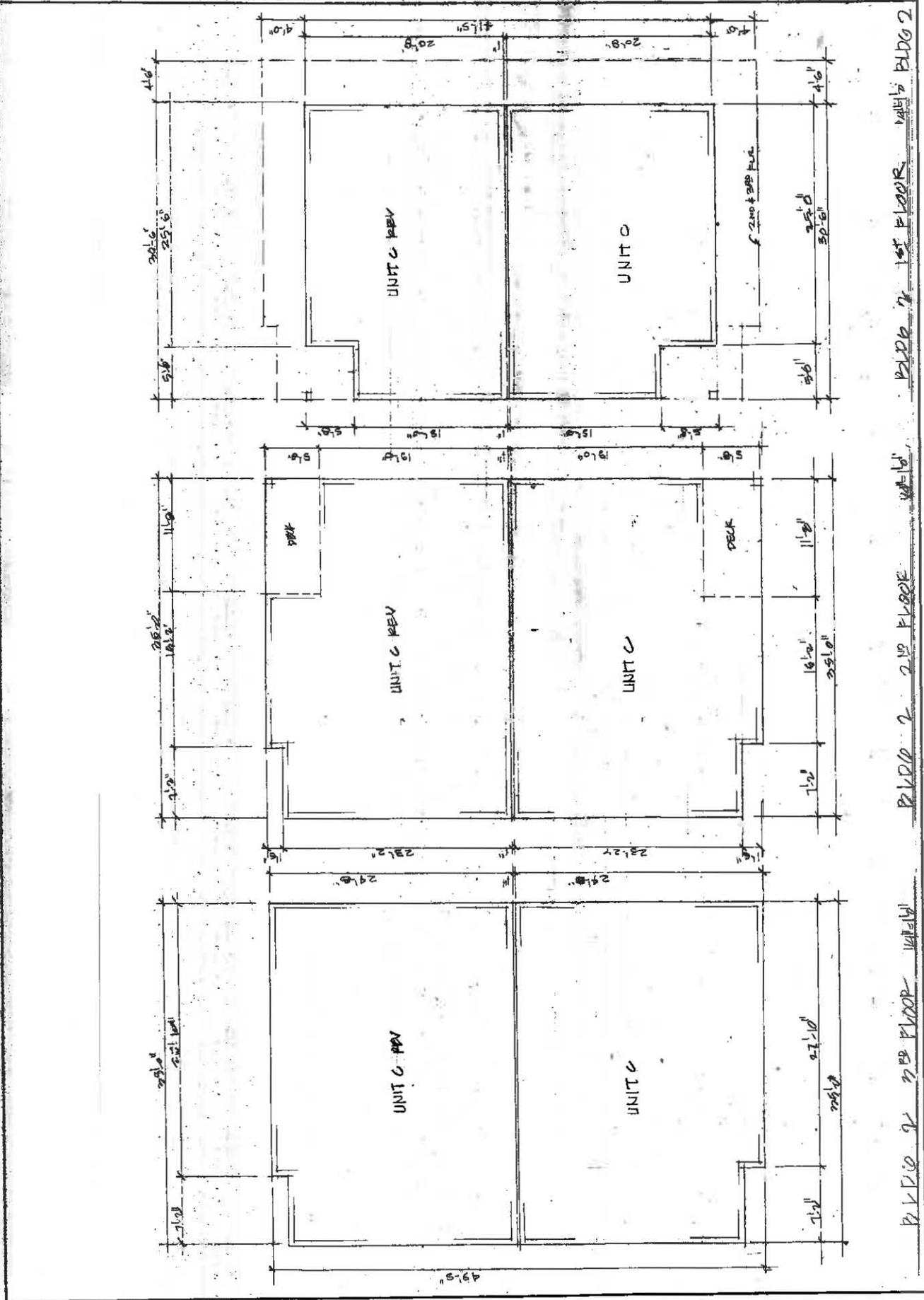
Ron Whitstrom  
 1000 North West Street, Suite 200  
 Portland, OR 97209  
 503-241-1111  
 ron@whitstrom.com



**KYDOS HOMES LLC**  
 3742 KATELLA AVENUE, SUITE 400  
 LOS ANGELES, CALIF 90020  
 562-618-8278

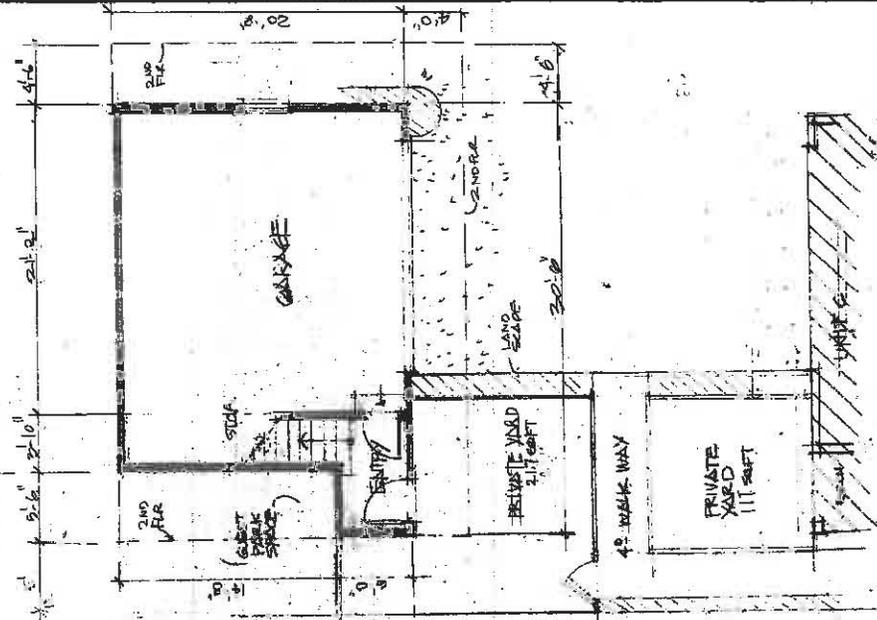
FIVE UNIT CONDOS FOR:  
 1500 7th Floor  
 1500 8th Floor  
 1500 9th Floor  
 1500 10th Floor  
 1500 11th Floor

7  
 1500 7th Floor  
 1500 8th Floor  
 1500 9th Floor  
 1500 10th Floor  
 1500 11th Floor

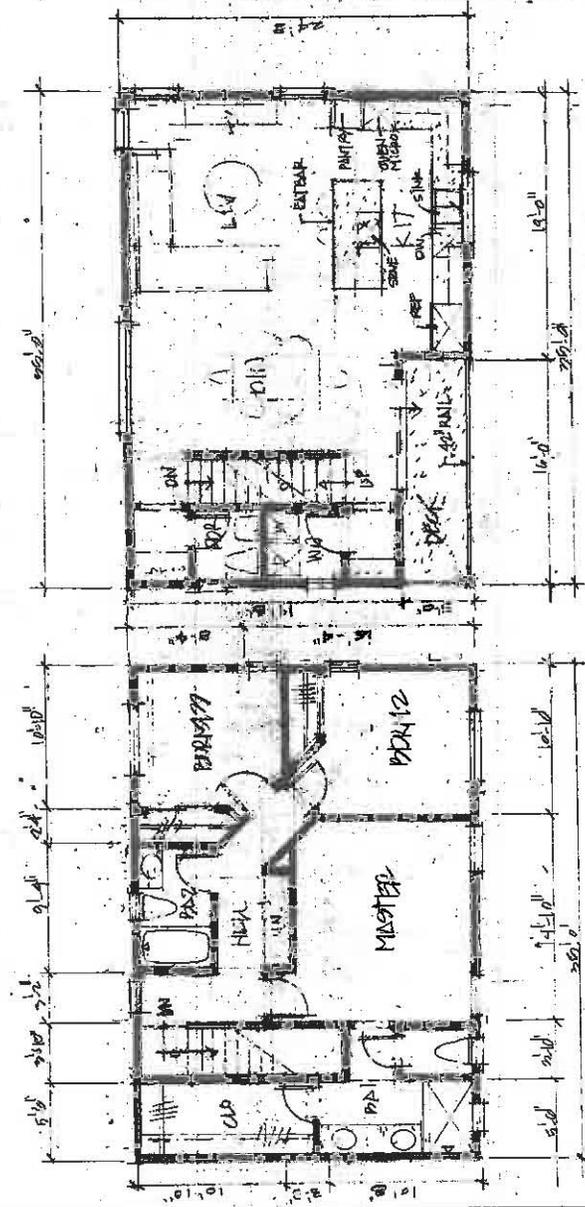


1500 7th Floor  
 1500 8th Floor  
 1500 9th Floor



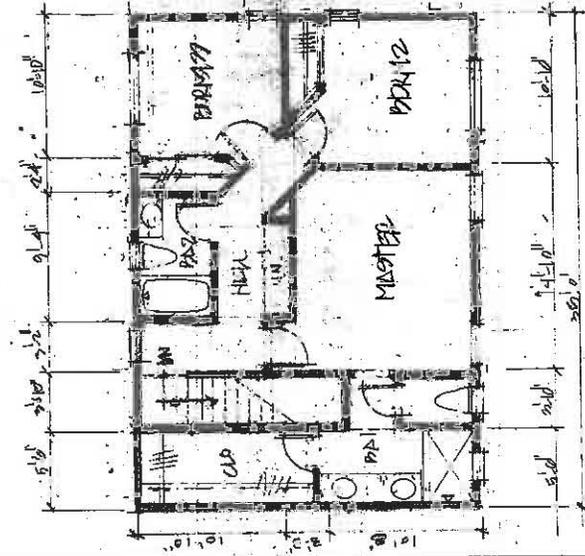


1ST FLOOR 140'-16"



DECK AREA	1050
HOUSE	425
GARAGE	80
DECK	217
PRIVATE SPACE	297

2ND FLOOR 140'-16"



3RD FLOOR 140'-16"





# City of Los Alamitos

## Agenda Report Public Hearing

September 8, 2014  
Item No: 7F

**To:** Chairman Loe and Members of the Planning Commission

**From:** Steven A. Mendoza, Community Development/Public Works Director

**Subject:** Facade Improvement  
Modification of Site Plan Review No. 228-86  
3620-3642 Katella Avenue

**Summary:** Consideration of a new facade for an existing commercial center at 3620-3642 Katella Avenue via the Site Plan Review Process. This is a modification of their 1986 approval.

### Recommendation:

1. Open the Public hearing; and, if appropriate,
2. Determine that the proposed use is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15305– minor alterations in land use limitations and 15061(b)(3) – activity is not subject to CEQA where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment; and,
3. Adopt Resolution No. 14-22, entitled, "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING MODIFICATION OF SITE PLAN REVIEW 228-86 FOR A FACADE IMPROVEMENT AT 3620 THROUGH 3642 KATELLA AVENUE IN THE GENERAL COMMERCIAL (G-C) ZONING DISTRICT, APN 222-091-21, (Applicant: John Chipman).

**Applicant:** Architect John Chipman

**Location:** 3620-3642 Katella Avenue, Los Alamitos, CA 90720

**Environmental:** A Categorical Exemption pursuant to Section 15301 (Class 1) *Existing Facilities* has been prepared for the proposed project in accordance with the California Environmental Quality Act and the City's local

guidelines for implementing the California Environmental Quality Act (CEQA).

**Approval Criteria:** Architectural treatment of shopping center was previously approved in 1986 and this would be a revision to that approval.

**Noticing:** The Public Notice of this meeting was mailed out on August 27, 2014 to 347 property owners and tenants within 500 feet of the site. Additionally, this was published in the News Enterprise on Wednesday, August 27, 2014.

## **Background**

The property owner of this shopping center at 3620-3642 Katella Avenue would like to upgrade the facade of the shopping Center. Because the shopping center was approved via the Site Plan Review Process in 1979, Planning Commission approval is required to modify the site. There are no site plan changes planned. Simply the facades of the strip retail and the free standing restaurant will be upgraded. The site may be more familiar as the home to Mustards restaurant and Madera's Restaurant.

The site was subject of a structural fire in 2013. They were working on their repairs when they decided to consider a facade upgrade. Staff has moved quickly with this review in order to avoid further delays. A number of businesses have been closed due to the fire.

## **Discussion**

The site is located on Katella Avenue between Los Alamitos Boulevard and Reagan Street. It is developed with a commercial center with two separate buildings. The adjacent properties are developed and zoned as follows:

North: Commercial retail in the General Commercial (C-G) District.  
East: Office uses in the Commercial Office (C-O) District.  
South: Residential uses in the Multiple-Family Residential (R-3) District.  
West: Drive thru restaurant in the General Commercial (C-G) District.

## **Site Plan**

There are no proposed changes to the existing site plan.

## **Architecture and Design**

Here is an artist concept of the new look of both the retail building and the freestanding restaurant. The full sets of these drawings are in your packet.



**Figure 1 Future Architecture of Commercial Center**



**Figure 2 Future Architecture of Madera's Restaurant**



**Figure 3 Existing Architecture of Commercial Center**



**Figure 4 Existing Architecture of Madera's Restaurant**

This new look has some well chosen elements that are also reflected in the neighboring Mc Donald's restaurant built a few years ago. This new look is in a modern style and tones down some of the Center's dated historic ornamentation, such as in the use of Spanish tile roofing materials. Other well designed elements include the use of crown molding as a building cap, stone wall materials and tongue and groove wood siding. The stone facade and fabric awnings break up the large expanses of stucco quite common in most buildings.

### **Code Enforcement History**

The site has a history of code violations related to banner, temporary signage and neon signs.

### **Findings**

In order to approve a Site Plan Review, the following findings must be made in accordance with Section 17.50.040 of the LAMC:

- The design and layout of the proposed development are consistent with the development and design standards/guidelines of the applicable zoning district;
- The design and layout of the proposed development would not interfere with the use and enjoyment of neighboring existing or future developments and would not create traffic or pedestrian hazards;
- The design of the proposed development would maintain and enhance the attractive, harmonious, and orderly development;
- The design of the proposed development would provide a desirable environment for its occupants and visiting public as well as its neighbors through good aesthetic use of materials, texture, and color, and would remain aesthetically appealing and retain an appropriate level of maintenance;
- The proposed development would not be detrimental to the public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity; and
- The proposed development would not substantially depreciate property values in the vicinity.

Staff feels that this new design will improve, update and beautify the site and therefore, staff recommends approval. Swift approval will allow the businesses to return to normal operations.

*Attachment: Resolution No. 14-22 including drawings*

**RESOLUTION NO. 14-22**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING MODIFICATION OF SITE PLAN REVIEW 228-86 FOR A FACADE IMPROVEMENT AT 3620 THROUGH 3642 KATELLA AVENUE IN THE GENERAL COMMERCIAL (G-C) ZONING DISTRICT, APN 222-091-21, (Applicant: John Chipman)**

**WHEREAS**, a completed application for a Site Plan Review was submitted by John Chipman on Friday August 22, 2014, requesting a Facade upgrade to commercial shopping center and restaurant 3620-3642 Katella Avenue, APN 222-091-21; and,

**WHEREAS**, the design of the project will not cause substantial environmental damage or substantially and avoidably injure fish, wildlife or their habitat because it is a previously developed urban site and the project involves negligible or no expansion of existing use. According to Section 15301 (Class 1) *Existing Facilities* of the guidelines for implementing the California Environmental Quality Act (CEQA) and Los Alamitos' Local Guidelines for implementing the CEQA, the proposed project is Categorically Exempt; and,

**WHEREAS**, the verified application constitutes a request as required by Section 17.50.030 (Site Plan Review) of the Los Alamitos Municipal Code; and,

**WHEREAS**, the Planning Commission reviewed the application for Modification of a Site Plan Review at a duly noticed public hearing on September 8, 2014, at which time it considered all evidence presented, both written and oral.

**NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF LOS ALAMITOS DOES RESOLVE AS FOLLOWS:**

SECTION 1. The Planning Commission of the City of Los Alamitos, California, finds that the above recitals are true and correct.

SECTION 2. The Planning Commission hereby makes the following findings based upon the evidence presented as required by Section 17.50.040 of the Los Alamitos Municipal Code:

1. The design of the façade improvements for the commercial center at 3620-3642 Katella Avenue is consistent with the development and design standards/guidelines of the General Commercial Zoning District; as conditioned and determined by the Planning Commission and as required by Chapter 17.10 of the Los Alamitos Municipal Code. There is no change being proposed to the existing layout which was previously approved.
2. The design of the façade improvements of the commercial center at 3620-3642 Katella Avenue would not interfere with the use and enjoyment of neighboring commercial, office, and multi-family residential developments, as the surrounding uses are retail, dining, multi-family residential, and office. There is no change to the layout of or existing uses in the commercial center and the façade improvements will have no impacts.
3. The design of the commercial center would maintain and enhance the attractive, harmonious, and orderly development of the property including the McDonald's

restaurant developed in 2012. The design is in harmony with surrounding development and improves upon the City's architecture with an updated, branded appearance.

4. The design of the commercial center would provide a desirable environment for its occupants, visiting public, and its neighbors through good aesthetic use of materials, texture, and color. Such changes will enhance the existing structure, remain aesthetically appealing, and retain an appropriate level of maintenance.
5. The commercial center provides for public health, safety, and welfare of the residential and business communities by improving the aesthetics . It is a convenience and a necessity for the general public and is not materially injurious to the properties or improvements in the vicinity. The proposed commercial center balances the needs of residents and commercial property owners by providing improved commercial facilities by upgrading the commercial center.
6. The commercial center would not depreciate property values in the vicinity, as it improves the aesthetics at the location.

SECTION 3. Based upon such findings and determinations, the Planning Commission hereby approves the modification to Site Plan Review SPR 228-86 to allow façade improvements, subject to the following conditions in addition to the 1986 conditions:

### **Planning**

1. Approval of this application is to upgrade the facade of the commercial center at 3620-3642 Katella Avenue, APN 222-091-21, as shown in the attached site plan and elevation. Subsequent submittals for this project shall be consistent with such plans and in compliance with the applicable land use regulations of the Los Alamitos Municipal Code, except for those waivers granted with this approval.
2. The duration of the site plan review approval shall be twelve (12) months from the date the site plan is approved. If construction is commenced within this twelve (12) month period and construction is being pursued diligently toward completion, the site plan review approval shall stay in full force and effect.
3. The director may, upon receipt in writing from the applicant before the expiration date, grant an extension of time up to twelve (12) months maximum. If an extension of time is not granted, the site plan review approval shall expire and a new application shall be made.
4. Site Plan Review is approved exclusively as precise plans for the structures, materials, and features as shown on the relevant drawings referenced in No. 1, above. Any relocation, alteration, addition to, and/or use of any building or property contrary to the conditions hereunder nullifies this approving action. If any changes are proposed regarding the structure, a request for an amendment of this approval must be submitted to the Community Development Director. If the Community Development Director determines that the proposed change(s) is/are consistent with the provisions, spirit, and intent of this approval action, and that such action would have been the same with the proposed change(s) for the proposal approved herein, the amendment may be approved by the Community Development Director without requiring a public meeting.

5. Failure to satisfy and/or comply with the conditions herein may result in a recommendation to the Planning Commission and/or City Council for revocation of this approval.
6. The applicant shall submit complete plans for plan check and obtain all required building permits for any tenant improvement to the tenant space. All applicable conditions herein must appear on and be noted on the final working drawing prior to the issuance of a building permit.
7. The applicant shall defend, indemnify, and hold harmless the City of Los Alamitos, its agents, officers, or employees from any claim, action or proceeding against the City or its agents, officers or employees to attack, set aside, void or annul an approval of the City, its legislative body, advisory agencies or administrative officers the subject application. The City will promptly notify the applicant of any such claim, action or proceeding against the City and the applicant will either undertake defense of the matter and pay the City's associated legal costs, or will advance funds to pay for defense of the matter by the City Attorney. Notwithstanding the foregoing, the City retains the right to settle or abandon the matter without the applicant's consent, but should it do so, the City shall waive the indemnification herein, except the City's decision to settle or abandon a matter following an adverse judgment or failure to appeal, shall not cause a waiver of the indemnification rights herein.
8. The applicant and applicant's successors in interest shall be responsible for payment of all applicable fees.
9. The property owner and applicant shall file an Acknowledgment of Conditions of Approval with the Community Development Department. The property owner and applicant shall be required to record the Acknowledgment of Conditions of Approval with the Office of the Orange County Recorder and proof of such recordation shall be submitted to the Community Development Department.
10. The applicant shall comply with applicable City, County, and/or State regulations.
11. The site shall be kept reasonably clean during construction and maintained in a safe, nuisance, and hazard free condition. Dust control measures shall be employed to include spraying water on dry soil to ensure dust does not migrate onto adjacent properties.
12. The project shall comply with all requirements of Chapter 17.40, Noise Control, of the Los Alamitos Municipal Code.
13. The applicant will display a sign visible to the public with a contact number should any resident have any questions about the construction.
14. The landscape and irrigation plan shall be submitted for review and comply with the City's Xeriscape Ordinance (Ord. No. 563). All required landscaping and irrigation shall be installed prior to the issuance of a Certificate of Occupancy.
15. Trees shall be planted outside of the Sight Safety Triangle or be trimmed to eight feet from above the adjacent top of curb.
16. The applicant shall install a bike rack in a location that is satisfactory to the Director of Community Development.

17. The existing wrought iron fence lining the west side of the property shall be retained to discourage customers from parking in the neighboring parking lot.
18. All water runoff must be designed to infiltrate the ground on the site. The bioswales noted on the plans shall direct their infiltration pipes to the planter areas and not be placed under the asphalt.
19. All landscaping on the site, including, without limitation, trees, shrubs and other vegetation, drainage and irrigation systems, shall be permanently maintained in good, first class condition, healthy, without deterioration, free of waste and debris, through all phases of construction and after. Dead or diseased plants shall be promptly replaced with landscaping similar in type, size, and quality. Automatic Irrigation systems shall be properly maintained and other reasonable and adequate landscape maintenance facilities and procedures shall be provided to fulfill the foregoing requirements.
20. The applicant shall be required to comply with the Seismic Hazards Mapping Act of 1990, including the Guidelines for Evaluating and Mitigating Seismic Hazards in California 1997.
21. The applicant shall provide adequate exterior lighting that maintains performance standards as described in Chapter 8.48 *Lighting Performance Standards* in the Los Alamitos Municipal Code.
22. Prior to permit issuance applicant shall submit a lighting plan to the Community Development Department to the satisfaction of the Community Development Director.
23. Any signs shall comply with the provisions under Chapter 17.28 of the Los Alamitos Municipal Code and shall be subject to the approval of the Community Development Director. Should the applicant desire to stray from the code, the applicant shall be required to apply for a Planned Sign Program.
24. Applicant will promptly remove any graffiti or unapproved writing on the exterior walls of any structures within twenty-four hours of the onset of such graffiti or writing at the sole expense of the applicant.

#### **BUILDING AND SAFETY**

25. The applicant/operator shall submit complete plans, including necessary engineered drawings, for plan check prior to building permit application for any tenant improvements.
26. Periods of construction during which noise levels may have an adverse impact on nearby uses shall be limited as follows: 7:00 a.m. until 8:00 p.m. Monday thru Saturday and not at all on Sunday or federal holidays.

#### **PUBLIC WORKS**

27. A City Public Works permit shall be taken out for all work in public right-of-way prior to start of work. All work shall be done in accordance with APWA Standards and to the satisfaction of the City Engineer and must be completed before issuance of Certificate of Occupancy.

28. A bond or surety device shall be posted with the City in an amount and type sufficient to cover the amount of off-site and on-site work to be done as approved by the City Engineer.

**POLICE DEPARTMENT**

None

**NPDES**

29. Projects less than one acre shall identify on plans or the permit all BMPs that will be used on the project in accordance with the Orange County Construction Runoff Guidance Manual, latest edition. BMPs will be reviewed and approved by the City prior to issuance of the permit.

30. Detailed hardscape, landscape, and irrigation plans will be prepared by a licensed landscape architect. Such plans will be designed in accordance with the "Landscape and Irrigation Design Requirements" of the City and approved by the Director prior to the commencement of construction.

**Orange County Fire Authority**

31. The applicant or responsible party shall submit the plan(s) listed below to the Orange County Fire Authority for review. Approval shall be obtained on each plan prior to the event specified.

Prior to issuance of a building permit:

- Fire master plan (service code PR145).
- Architectural (service codes PR200-PR285), when required by the OCFA "Plan Submittal Criteria Form."

**Golden State Water Quality Management District**

32. The applicant shall contact the Golden State Water Quality Management District at (714) 535-7711 ext. 214 for instructions related to the addition of a reduced principle (RP) backflow prevention device to the project site and comply with its recommendations.

SECTION 4. The Secretary of the Planning Commission shall forward a copy of this Resolution to the applicant and any person requesting the same and a notice of exemption shall be filed by staff.

PASSED AND APPROVED this 8<sup>th</sup> day of September, 2014, by the following vote:

\_\_\_\_\_  
Gary Loe, Chairman

ATTEST:

\_\_\_\_\_  
Steven A. Mendoza, Secretary

APPROVED AS TO FORM:

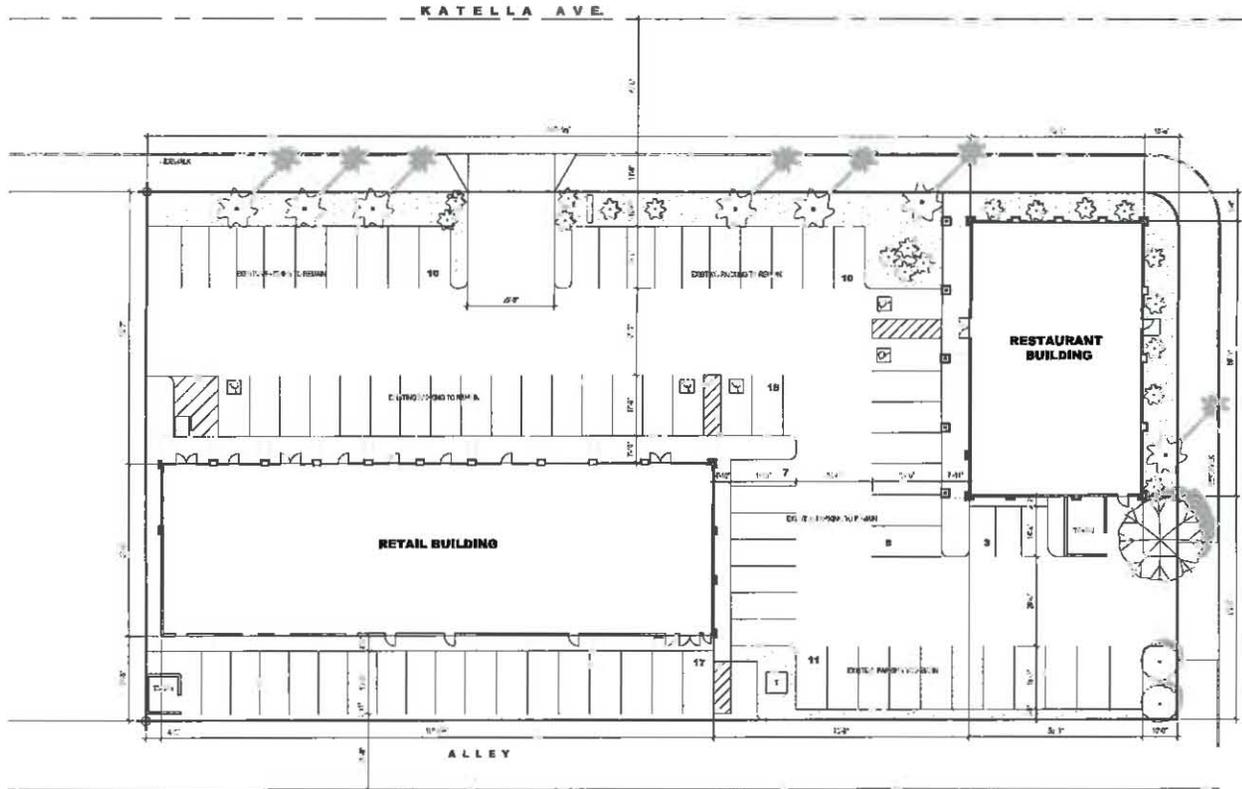
\_\_\_\_\_  
Lisa Kranitz, Assistant City Attorney

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) ss  
CITY OF LOS ALAMITOS )

I, Steven Mendoza, Planning Commission Secretary of the City of Los Alamitos, do hereby certify that the foregoing Resolution was adopted at a regular meeting of Planning Commission held on the 8<sup>th</sup> day of September 2014, by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Steven A. Mendoza, Secretary



REAGAN ST.

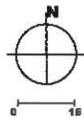
**SITE PLAN SUMMARY**

<b>ADDRESS:</b>	3620-3642 KATELLA AVE
<b>APPLICANT/PROJECT NUMBER:</b>	222-000-21
<b>ACRES:</b>	1.07
<b>LANDAREA (SQ FT):</b>	46,243.72
<b>BUILDING AREA:</b>	
<b>EXIST'G BLDG &amp; BUILDING:</b>	16,677.72
<b>NEW BLDG (EXIST'G BLDG) (SQ FT):</b>	4,972.22
<b>TOTAL BLDG AREA (EXIST'G + NEW BLDG) (SQ FT):</b>	21,650.00
<b>LOT AREA (SQ FT):</b>	46,243.72
<b>PERCENT COVERED:</b>	46.82%
<b>PERMITS:</b>	
<b>BLDG LOT COVERED:</b>	46.82%
<b>PERCENT COVERED:</b>	46.82%
<b>OPEN SPACE:</b>	24,593.72
<b>PERCENT OPEN SPACE:</b>	53.18%

NOTES:  
ALL BUILDING, LANDSCAPE, AND SIGNAGE SHALL BE AS SHOWN ON THIS SITE PLAN.  
PERMITS TO BE OBTAINED FROM THE CITY OF LOS ANGELES.  
SITE LAYOUT.

□ = LANDSCAPE AREA

**SITE PLAN**  
(existing to remain - reference only)



**VICINITY MAP**

**COMMERCIAL CENTER - FACADE IMPROVEMENTS**

3620-3642 KATELLA AVENUE  
LOS ALAMITOS, CA

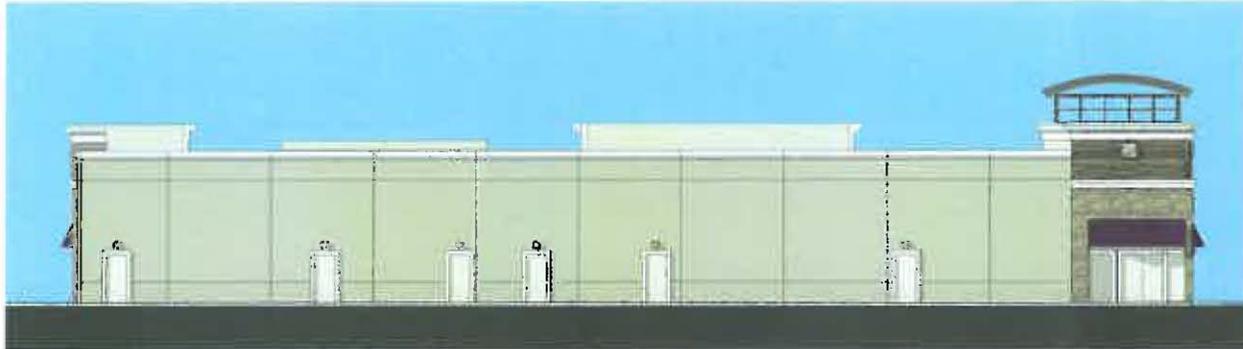
**Chipman Architects**  
 200511 E. Main Ave.  
 Suite 102  
 Newport Beach, CA 92660  
 (949) 754-1422  
 www.chipmanarch.com  
 1/24



west ELEVATION



KATELLA AVE. ELEVATION



SOUTH ELEVATION



EAST ELEVATION

RETAIL BLDG. DESIGN CONCEPT



**COMMERCIAL CENTER - FACADE IMPROVEMENTS**

3642 KATELLA AVENUE  
LOS ALAMITOS, CA

7/23/2014





**SOUTH ELEVATION**

FINISHING PHASES:  
 FINISHING PHASES:  
 FINISHING PHASES:  
 FINISHING PHASES:  
 FINISHING PHASES:  
 FINISHING PHASES:



**KATELLA AVE. ELEVATION**



**EAST ELEVATION**



**WEST ELEVATION**

**RESTAURANT BLDG. DESIGN CONCEPT**



**COMMERCIAL CENTER - FACADE IMPROVEMENTS**

3642 KATELLA AVENUE  
LOS ALAMITOS, CA

7/23/2014



# City of Los Alamitos

## Planning Commission

**Agenda Report**  
**Public Hearing**

**September 8, 2014**  
**Item No: 7G**

**To:** Chair Loe and Members of the Planning Commission

**Via:** Steven A. Mendoza, Community Development/Public Works Director

**From:** Tom Oliver, Associate Planner

**Subject:** Continued Consideration of Zoning Ordinance Amendments Relating to Allowable Uses in the Planned Light Industrial Zone (Citywide) (City initiated)



**Summary:** Continued consideration of a Zoning Ordinance Amendment to allow more flexible uses in the Planned Light Industrial Zone (Citywide) (City initiated).

### **Recommendation:**

1. Continue the Public Hearing; and, if appropriate,
2. Direct Staff to draft an ordinance incorporating amendments that are agreed upon by the Commissioners at the end of tonight's discussion; or alternatively,
3. Resolve to continue or cease continued discussion of this subject.

**Applicant:** City Initiated

**Location:** Citywide

**Approval Criteria:** Section 17.70.020 of the Los Alamitos Municipal Code (LAMC) requires that any proposed amendment be recommended by a resolution to the City Council.

**Noticing:** Since the number of real property owners exceeds 1,000, notices announcing the Public Hearing were published as a 1/8 page ad in the News Enterprise on May 28, 2014.

## **Background**

This Public Hearing is a continuation from the June 9, 2014, July 14, 2014, and August 11, 2014, Planning Commission meetings.

The Planning Commission is reviewing the Los Alamitos Municipal Code (LAMC) pertaining to land uses in the Industrial Zone. These uses are described in the land use table, Section 17.10.020, Table 2-04 *Allowed Uses and Permit Requirements for Commercial/Industrial Zoning Districts*.

The Community Development Department is concerned about the increased interest in placing non-industrial uses in the industrial area. Concerns are related to compatibility, safety, and the preservation of the industrial area.

### **Preservation of Industrial Area**

- *The Industrial Zone is valuable to the City and should be reserved for industrial uses, jobs and industry.*
- *The industrial area of the City consists of both master planned industrial parks and other industrial areas that are grittier. The grittier areas lack sidewalks, defined parking and curb, gutters and parkways.*
- *Existing zoning should be preserved for future industrial type uses where light and heavy industrial businesses can thrive uninterrupted by uses not as gritty as their own.*
- *The introduction of recreational uses may constrain future use of the subject site for industrial purposes. While many recreation uses desire to be in the industrial area, the existing tow companies, distribution facilities, and manufacturers enjoy the freedoms of being separated from such uses.*

### **Compatibility**

- *A large portion of the City's industrial area is incompatible with businesses catering to recreational uses for children.*
- *The industrial area includes construction yards, lumber yards, large-scale printing firms, and two tow yards.*
- *This area is intended for industrial uses with nuisance or hazardous characteristics which for reasons of health, safety, environmental effects, or general welfare are best segregated from recreational uses.*
- *Industrial uses are more intense and are not always compatible with businesses that cater to children such as batting cages, dance & cheer, or sports related training facilities.*
- *Recreational uses may restrict or preclude the ability of surrounding heavy industrial uses from realizing the full enjoyment of their properties by introducing sensitive receptors (children) into the area.*

### **Safety**

- *Recreation uses have a different traffic generator and the area was not designed to support this type of use.*
- *Speed limits established within the Industrial area do not take into consideration the loading and unloading of children.*

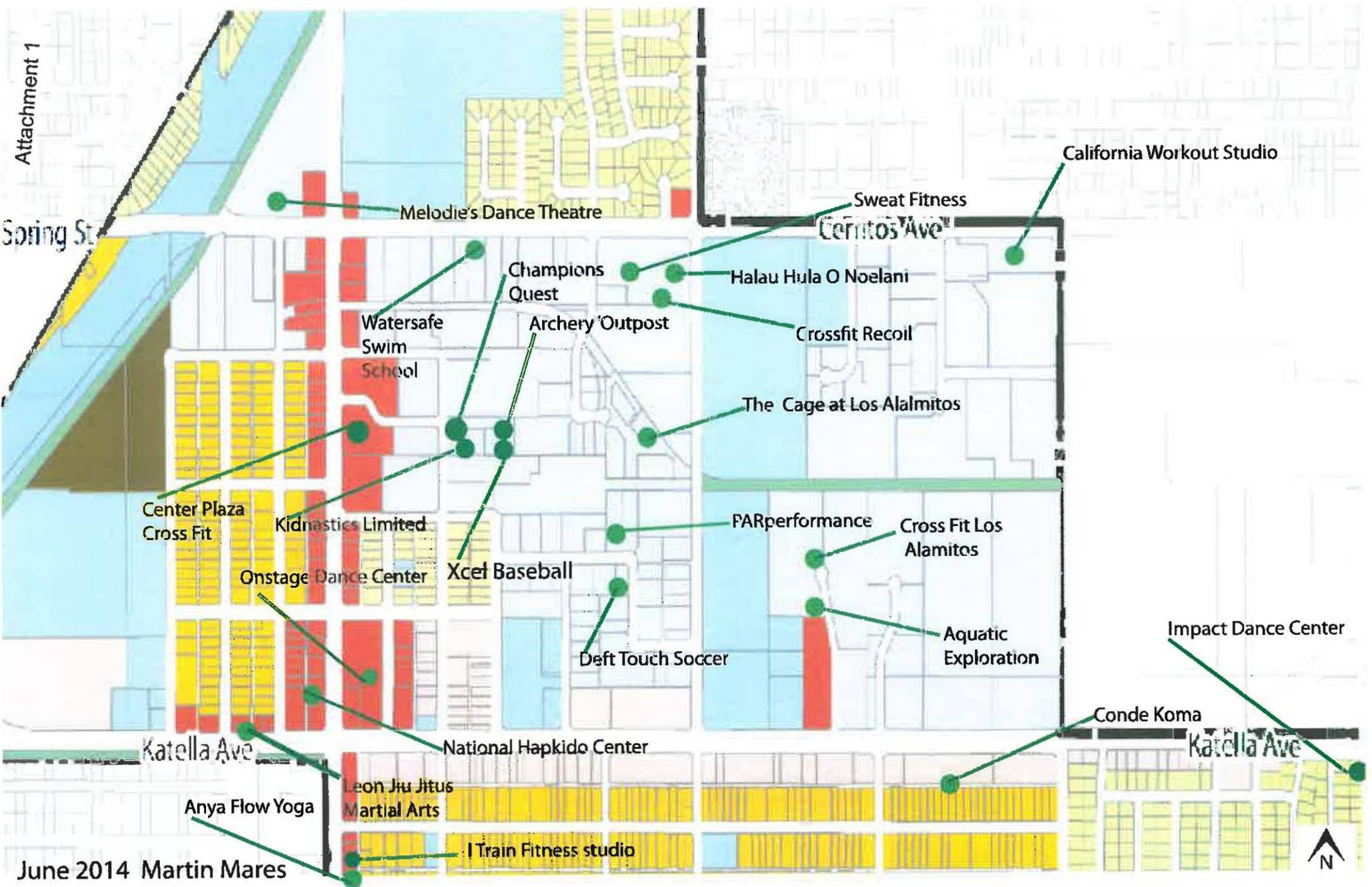
- *The Industrial Zone has been subject to review and consideration in regards to the uses that are traditionally within the Industrial Zones. The industrial area has never been evaluated as a place for children to hang out, explore, and wait for parent pickup.*
- *Truckers do not normally expect to be dodging children or adult joggers in an Industrial area.*

**Data**

- The City's industrial area is 248 acres (18% of the City).
- As of June 2014 the City had 14 recreational establishments in the Industrial Zone. The total square footage in the industrial area is 2,169,748 sq. ft.
- Total sq. ft. that recreation buildings are using in the industrial area is 87,790 sq. ft.
- Applications have also been filed to consider an outdoor swim school on a 41,092 square foot industrial property.

The Commission would like to discuss this possibility due to the desirability of these industrial buildings for certain types of retail or other commercial operations. The Planning Commission began this process on April 14, 2014, by approving a Resolution of Intention which is required as a first step in evaluating this subject.

*Attachment: Map of Industrial Zone*



June 2014 Martin Mares

# City of Los Alamitos

## Planning Commission

**Agenda Report**  
**Staff Report**

**August 11, 2014**  
**Item No: 8A**

**To:** Chair Loe and Members of the Planning Commission

**From:** Steven A. Mendoza, Community Development/Public Works Director 

**Subject:** Code Interpretation - Title Max

**Summary:** After being turned down by staff, Title Max (A Car Title Loan Business) has requested that the Planning Commission interpret the business to be a financial institution so the business can operate at 3391 Katella Avenue in the dry cleaners building.

### **Recommendation:**

Staff has already made a determination regarding the use, which has been appealed. In reaching a conclusion, the Planning Commission needs to make the following determinations:

1. Determine whether the Car Title Loan business qualifies as a "bank or financial institution". If the answer is "no, "
2. Determine whether the Car Title Loan business qualifies as a "similar use" to "banks or financial institutions" or any other use in the Los Alamitos Municipal Code. If the answer to this is also "no,"
3. Determine that the Car Title Loan Business is not permitted within the City of Los Alamitos and articulate the reasons for the Commission's decisions that can be incorporated into a resolution of denial which will need to be brought back at the next meeting; or
4. Make such other decision as determined by the Commission.

### **Introduction**

TitleMax of California has made inquiry into the allowed uses in the C-G Zoning District with relation to a Car Title Loan company as further explained below. In the C-G zone banks and financial institutions (without drive-through facilities) are allowed as of right. If the Car Title Loan business is considered to be a financial institution, it would be allowed as of right. Similarly, pursuant to Chapter 17.02 of the Los Alamitos Municipal Code the Planning Commission could find that the Car Title Loan use is similar to banks and financial institutions if it finds that the characteristics of and activities associated

with the proposed use are equivalent to the listed use, the proposed use will meet the purpose/intent of the zoning district; and the proposed use will be consistent with the goals, objectives, and policies of the general plan. If a similar use determination were made, the Car Title Loan Company would also be allowed as of right in this district.

## **Background**

On June 16, 2014 TitleMax of California requested a zoning letter asking the following questions (Attachment 1):

1. What Zoning District is 3391 Katella Avenue in?
2. Is a Financial Institution a permitted use in the C-G Zoning District and
3. Is a Finance Lender/Car Title Loan Company considered a Financial Institution?

Staff responded via a formal zoning letter stating that "Our Code is silent to Car Title Loan uses and therefore they are not allowed within this zone (Attachment 2). As a result of staff's response, TitleMax has requested an Interpretation from the Planning Commission. On July 24, 2014, Title Max filed a request for an interpretation, requesting that the Planning Commission consider TitleMax, A California licensed "Finance Lender" be considered a "Financial Institution" for zoning purposes (Attachment 3). In response to staff's letter asking for further clarification (Attachment 4), TitleMax sent back a response providing a presentation on its business (Attachment 5).

## **Discussion**

### **What is a Car Title Loan Company**

Often referred to as a title loan, this type of loan uses the equity a vehicle in exchange for title to the car. A person receives a cash loan and upon repayment the lender returns the car title. It is a short-term loan in which the borrower's car title is used as collateral. The borrower must be the lien holder (i.e. own the car outright). Loans are usually for less than 30 days.

In the United States, a **Car Title Loan**, also called an auto title loan, pink slip loan or simply **title loan**, is a type of secured loan where the borrower can use their vehicle title as collateral. Borrowers who get title loans must allow a lender to place a lien on their car title, and temporarily surrender the hard copy of their vehicle title, in exchange for a loan amount. When the loan is repaid, the lien is removed and the car title is returned to its owner. If the borrower defaults on their payments then the lender is liable to repossess the vehicle and sell it to repay the borrower's outstanding debt.

TitleMax's website provides the following information:

*TitleMax specializes in Car Title Loans. This is the product that started it all! TitleMax was built on the idea of offering an alternative way for customers who, for whatever reason, could not qualify for traditional loans or did not have the time to wait for weeks of approval deliberation. In a mainstream world of banking, forms, and dreaded credit checks, TitleMax strives to be an easy solution for getting the cash. We understand that life is full of unexpected challenges, many of which can only be overcome if you have access to fast cash. That's why TitleMax offers a Car Title Loan product that allows you to use your car title to obtain the cash you need. In 30 minutes or less, a TitleMax Car Title Loan can put up to \$10,000\* in your pocket and get your life back on track.*

### **Car Title loan Business are Not a Use Listed in the Zoning Code**

Within the City's Zoning Code, "Banks and financial services" means financial institutions including:

1. Banks and trust companies;
2. Credit agencies;
3. Holding (but not primarily operating) companies;
4. Lending and thrift institutions;
5. Other investment companies;
6. Securities/commodity contract brokers and dealers;
7. Security and commodity exchanges;
8. Vehicle finance (equity) leasing agencies.

As a "Car Title Loan" business is not listed as a type of financial institution, staff maintains that it is not a listed use. The only possible category it could fall under is "lending and thrift institutions." A thrift institution accepts consumer deposits and makes home mortgages, encouraging savings and home ownership; a Car Title Loan business does not qualify. While a lending institution is not defined in the Los Alamitos Municipal Code, generally these are thought of as businesses that invest their own funds or funds under its management in various things such as equities, securities and mortgages that are generally regulated by law to limit the risk. These types of businesses can include credit unions or finance companies. Again, the Car Title Loan business does not appear to meet this definition and the applicant has failed to provide sufficient information as to why it should be considered a financial institution of the type listed.

### **Car Title Loan businesses May or May Not Fit within the Meaning or Exhibit the Material Characteristics of Financial Institutions as listed in the Zoning Code**

Under Section 17.10.020H of the City's Zoning Ordinance, a land use not listed in the Zoning Code is not allowed within the City unless it is determined to be a similar use. Analysis of the Zoning Code confirms that Car Title Loan businesses are not a use listed in the Zoning Code. Based upon a review of business licenses, the City has not knowingly issued any permits for a Car Title Loan business.

It is staff's opinion that a Car Title Loan business is not similar to a Bank/Financial Institution as defined by the Zoning Code because a Car Title Loan business provides a single type of financial service - car title loans. The business does not accept deposits, invest people's money, or offer a variety of financial services, such as checking

accounts, savings accounts, safe deposit boxes, mortgages, money orders, credit cards, and other retail services that are common to these other type of businesses.

Staff believes that a reading of the Zoning Code definitions makes clear that the reference to financial institutions in the definition of Bank/Financial Institutions was intended to authorize traditional banks, not alternative financial service providers, such as check cashing or Car Title Loans..

### **Findings, Basis for Interpretation**

If the Commission determines that the Car Title Loan business is a bank or financial institution, no findings are necessary and the applicant will move forward for Planning, Engineering Department and Building Department for review and consideration of their site plan and or building alterations. There is the potential that the site plan and building alterations may be subject to Commission review at a later date.

Whether the Commission determines that the Car Title Loan business is or is not similar to banks or financial institutions, findings have to be made and the appropriate resolution will be brought back before the Commission. The basis for an interpretation may include technological changes or new industry standards. The findings for approval are as follows as set forth in 17.02.020H:

1. The characteristics of, and activities associated with the proposed use are equivalent to those of an allowed use in the zoning district and will not involve a greater level of activity, population density, traffic generation, parking, dust, noise or intensity than the allowed use;
2. The proposed use will meet the intent of the General Commercial (C-G) zoning district which is to provide for the development of general commercial and highway related uses; and
3. The proposed use will be consistent with the goals, objectives, and policies of the general plan.

Should the Commission interpret the code to mean that a Car Title Loan business is similar to a use listed (Financial Institution), the applicant will be able to move forward for consideration of their development plans. Planning, Engineering Department and Building Department will review and consideration their site plan and or building alterations. There is the potential that the site plan and building alterations may be subject to Commission review at a later date.

*Attachments:*

- 1) *Zoning Letter Request*
- 2) *Zoning Letter*
- 3) *Interpretation Request*
- 4) *Staff's request for more information*
- 5) *Title Max Power Point*

# CITY OF LOS ALAMITOS



**Mayor:**

Gerri L. Graham-Mejia

**Mayor Pro Tem:**

Richard D. Murphy

**Council Members:**

Troy D. Edgar

Dean Grose

Warren Kusumoto

July 2, 2014

Paul Bland  
TitleMax of California, Inc.  
15 Bull Street, Suite 200  
Savannah, GA 31401

**SUBJECT: ZONING LETTER – 3391 KATELLA AVENUE**

Dear Mr. Bland:

Thank you for your Zoning Letter request concerning the property located at 3391 Katella Avenue, Los Alamitos, CA, APN 242-202-24, in the City of Los Alamitos.

Below are the questions that you have requested to be answered:

- *What is the current zone of the property?*

C-G General Commercial Zoning District

- *Is a Financial Institution permitted use for a CG zone?*

Banks/financial institutions (without drive-though facilities) are permitted in the General (C-G zone)

- *Is a Finance Lender/Car Title Loan Company considered a Financial Institution?*

Our code is silent to these types of businesses which means that they are not listed in our use table. If a Use is not listed in our code they are not allowed according to Los Alamitos Municipal Code Section 17.10.20.H, below:

*"H. Uses Not Listed. Land uses that are not listed in Table 2-04 or not shown in a particular zoning district are not allowed, except as otherwise provided by Section 17.02.020(H) (Rules of interpretation - Allowable uses of land), or Section 17.06.030 (Exemptions from land use permit requirements)."*

An interpretation must be made by the Planning Commission if you would like to make the case that the business is similar another use in our code.

3191 Katella Avenue  
Los Alamitos, CA  
90720-5600

Telephone:  
(562) 431-3538

FAX (562) 493-1255

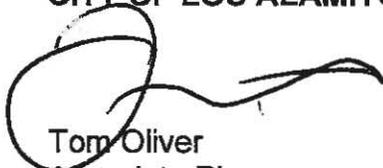
[www.cityoflosalamitos.org](http://www.cityoflosalamitos.org)

Paul Bland  
Title Max of California, Inc.  
Page 2 of 2

If you require further assistance, please contact me at (562) 431-3538,  
extension 303.

Sincerely,

**CITY OF LOS ALAMITOS**

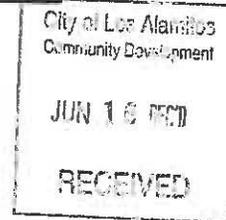
A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line that tapers to the right.

Tom Oliver  
Associate Planner  
Community Development

# TITLEMAX<sup>®</sup>

June 9, 2014

Mr. Tom Oliver  
City of Los Alamitos  
Zoning Department  
3191 Katella Avenue  
Los Alamitos, CA 90720



Dear Tom,

This letter is being written as a follow up to our phone conversation of June 9, 2014. I handle real estate for TitleMax of California, Inc. Titlemax is a Finance Lender that specializes in Car Title Loans- [www.titlemax.com](http://www.titlemax.com). We are involved in a real estate transaction for a site located at: **3391 Katella Avenue, Los Alamitos, CA 90720**. Per our conversation, you stated that this site is zoned C-G (General Commercial) and that TitleMax would be considered as a Financial Institution and would be considered as a permitted use at this location.

Prior to us closing on the purchase of the property, we would like to request a zoning verification letter on City Letterhead confirming the following:

1. What Zoning District is the property located in?
2. Is a Financial Institution a permitted use in that zoning district?
3. Is a Finance Lender/Car Title Loan Company considered a Financial Institution?

I have enclosed the required \$55 fee for this verification. Please let me know if you need any additional information in order to consider this request. I'm requesting that the verification letter be returned to my attention at the address below. If possible, I would like to get a scan of the letter via email also.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Bland", written over a horizontal line.

Paul Bland  
TitleMax of California, Inc.  
15 Bull Street, Suite 200  
Savannah, GA 31401  
Direct line: (912) 629-1528  
Email: [paul.bland@titlemax.com](mailto:paul.bland@titlemax.com)

Corporate Headquarters • 15 Bull St. Suite 200 • Savannah, GA 31401

(912) 525-2675 • Fax (912) 525-2679

Vendor ID 121979	Vendor Name CITY OF LOS ALAMITOS	Payment Number 000311555	Check Number 15	Check Date Jun 12, 2014
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Voucher Number 000422583	Invoice Number 2014ZONING VERIF	Customer Acct. No. 3391 Katella Ave Los Alamitos	Invoice Date 06/12/2014	Amount \$55.00	Net Paid Amt \$55.00	Discount \$0.00	Write Off \$0.00	Net Check Amt \$55.00
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TOTALS	\$55.00	\$55.00	\$0.00	\$0.00	\$55.00
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THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

**TITLEMAX**  
SAVANNAH  
15 BULL STREET, STE. 200  
SAVANNAH, GA 31401

WELLS FARGO  
64-22/610

193186

DATE	Amount
06/12/2014	\$55.00

Fifty Five Dollars and 00 Cents

Pay to the Order of  
CITY OF LOS ALAMITOS  
  
3191 KATELLA AVE  
LOS ALAMITOS, CA 90720

VOID AFTER 60 DAYS




SECURITY FEATURES INCLUDED. DETAILS ON BACK.

⑆ 193186 ⑆ ⑆ 061000227 ⑆ ⑆ 2000016300242 ⑆

Vendor ID 121979	Vendor Name CITY OF LOS ALAMITOS	Payment Number 000311555	Check Number 193186	Check Date Jun 12, 2014
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Voucher Number 000422583	Invoice Number 2014ZONING VERIF	Customer Acct. No. 3391 Katella Ave Los Alamitos	Invoice Date 06/12/2014	Amount \$55.00	Net Paid Amt \$55.00	Discount \$0.00	Write Off \$0.00	Net Check Amt \$55.00
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TOTALS	\$55.00	\$55.00	\$0.00	\$0.00	\$55.00
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# CITY OF LOS ALAMITOS CODE INTERPRETATION FORM AND HANDOUT

Community Development Department  
3191 Katella Ave., Los Alamitos, CA 90720-5600  
Phone: (562) 431-3538 Fax: (562) 493-0678

FOR OFFICE USE ONLY  
Filing Fee: \$650.00  
Date Received: 7/28/14

**PROJECT NAME:** 3391 Katella Ave, TitleMax

**APPLICANT:**  
Name: TitleMax of California, INC - Tracy Young, CEO  
Mailing Address: 15 Bull St, Ste 200, Savannah, GA 31401  
Phone Number: 912-525-2675 Email Address: \_\_\_\_\_

**APPLICANT'S REPRESENTATIVE:**  
Name: James Thebeau  
Mailing Address: 15 Bull St, Ste 200, Savannah, GA 31401  
Phone Number: 314-540-7590 Email Address: James.Thebeau@TitleMax.com

**PROPERTY OWNER(S):**  
Name: 9980 Grindly Partners  
Mailing Address: 5146 Edgemont Cir, Cypress, CA 91630  
Phone Number: 714-351-0692 Email Address: Mnardle@sbcglobal.net

**SITE INFORMATION:**  
Address: 3391 Katella Ave  
APN: 242-202-24  
Current Use of Site: Dry Cleaner  
Zoning Designation: C-6 General Commercial zoning dist.

**REQUIRED ATTACHMENTS AND INFORMATION:**  
This may include photos, site plans, title reports, elevations necessary for officials to fully understand the request.

**Narrative:** (attach separate sheets if needed) Describe the nature of the request:  
Applicant is requesting an interpretation of the zoning Code that TitleMax, a California licensed "Finance Lender", should be considered a "Financial Institution" for zoning purposes.

### AUTHORIZING SIGNATURES:

I hereby certify that the information on this application and attachments are correct.

**PROPERTY OWNER(S):**  
\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Signature

**APPLICANT(S) OR AUTHORIZED AGENT:**  
Tracy Young, CEO  
\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Signature



July 24, 2014

City of Los Alamitos  
Attn: Planning Department/Community Development  
3191 Katella Ave  
Los Alamitos, CA 90720

INTERPRETATION

\$650.00

A handwritten signature in black ink, appearing to be "Andrea Kennedy".

**RE: Code Interpretation Form**

Dear Sir/Madam

Please see the enclosed Code Interpretation Form, and check for \$650.00 made out to City of Los Alamitos.

Should you need any additional information to complete the request please feel free to contact me via email at [andrea.kennedy@titlemax.com](mailto:andrea.kennedy@titlemax.com) or directly at 912-721-5996

Thank you in advance for your assistance.

Sincerely,

*Andrea Kennedy*

Andrea Kennedy  
Real Estate Admin. Assistant  
15 Bull Street  
Suite 200  
Savannah, GA 31401

**Corporate Headquarters \* 15 Bull St. Suite 200 \* Savannah, GA 31401**

**PHONE: (912) 525-2675 \* FAX (912) 721-5810**

# CITY OF LOS ALAMITOS



**Mayor:**  
Geri L. Graham-Mejia

**Mayor Pro Tem:**  
Richard D. Murphy

**Council Members:**  
Troy D. Edgar  
Dean Grose  
Warren Kusumoto

August 13, 2014

Andrea Kennedy  
Real Estate Administrative Assistant  
TITLEMAX  
15 Bull Street, Suite 200  
Savannah, GA 31401

**RE: INTERPRETATION OF LAND USE**

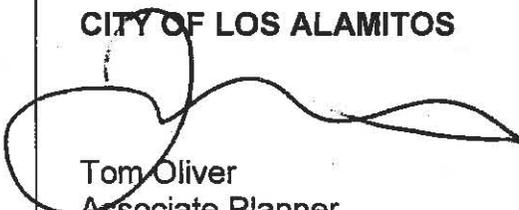
Dear Ms. Kennedy:

The City of Los Alamitos has deemed your application for a Code Interpretation incomplete. The reason is that your application lacks an explanation of why Title Max should be considered a "Financial Institution."

Please supply us with a description of your operations and the reasoning for why you feel that Title Max would fall under the "Financial Institution" definition. Without this information, the Planning Commission would have to rely upon assumptions. If you have any questions, please contact me at 562-431-3538 x303, or email at [toliver@cityoflosalamitos.org](mailto:toliver@cityoflosalamitos.org).

Sincerely,

**CITY OF LOS ALAMITOS**



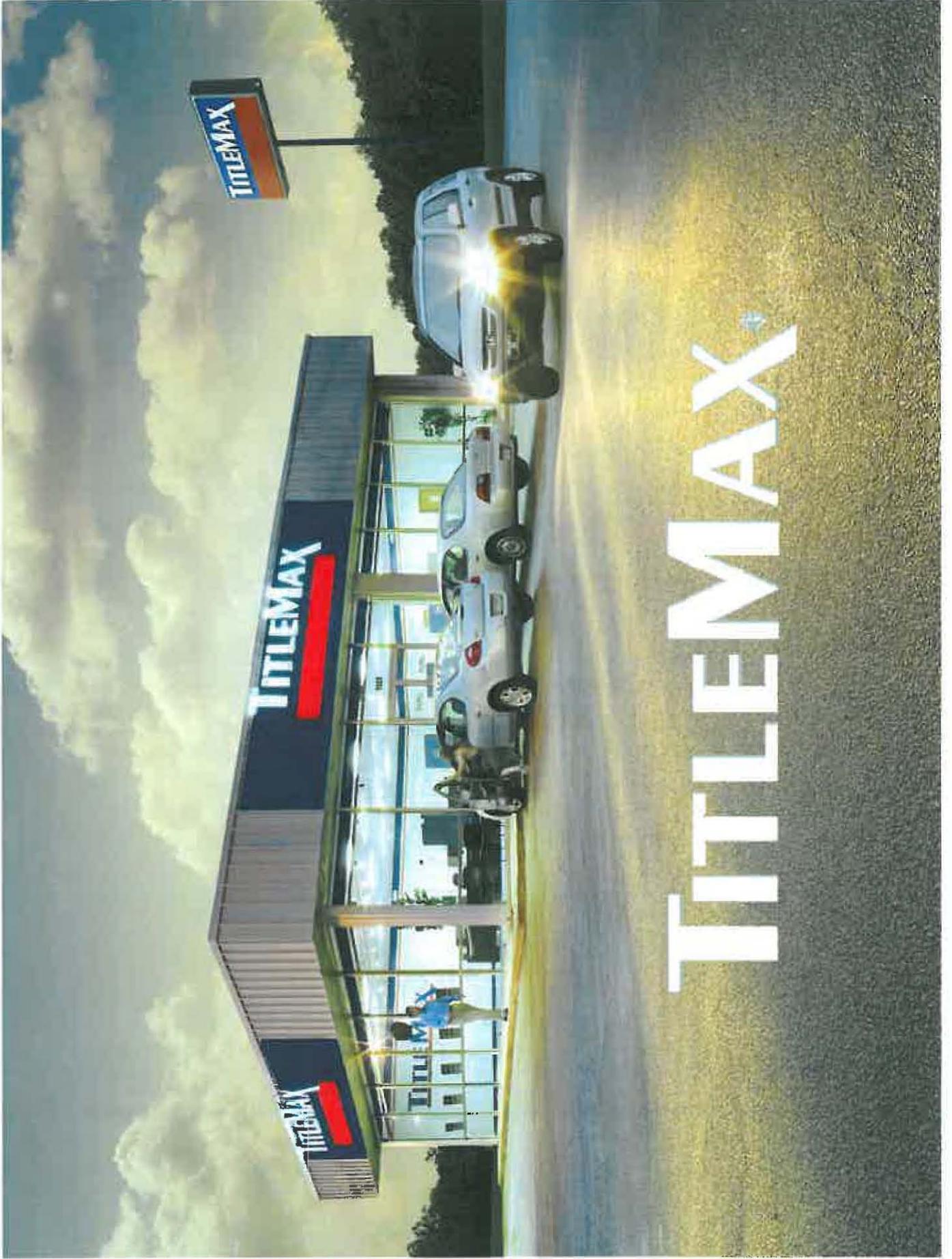
Tom Oliver  
Associate Planner  
Community Development Department

3191 Katella Avenue  
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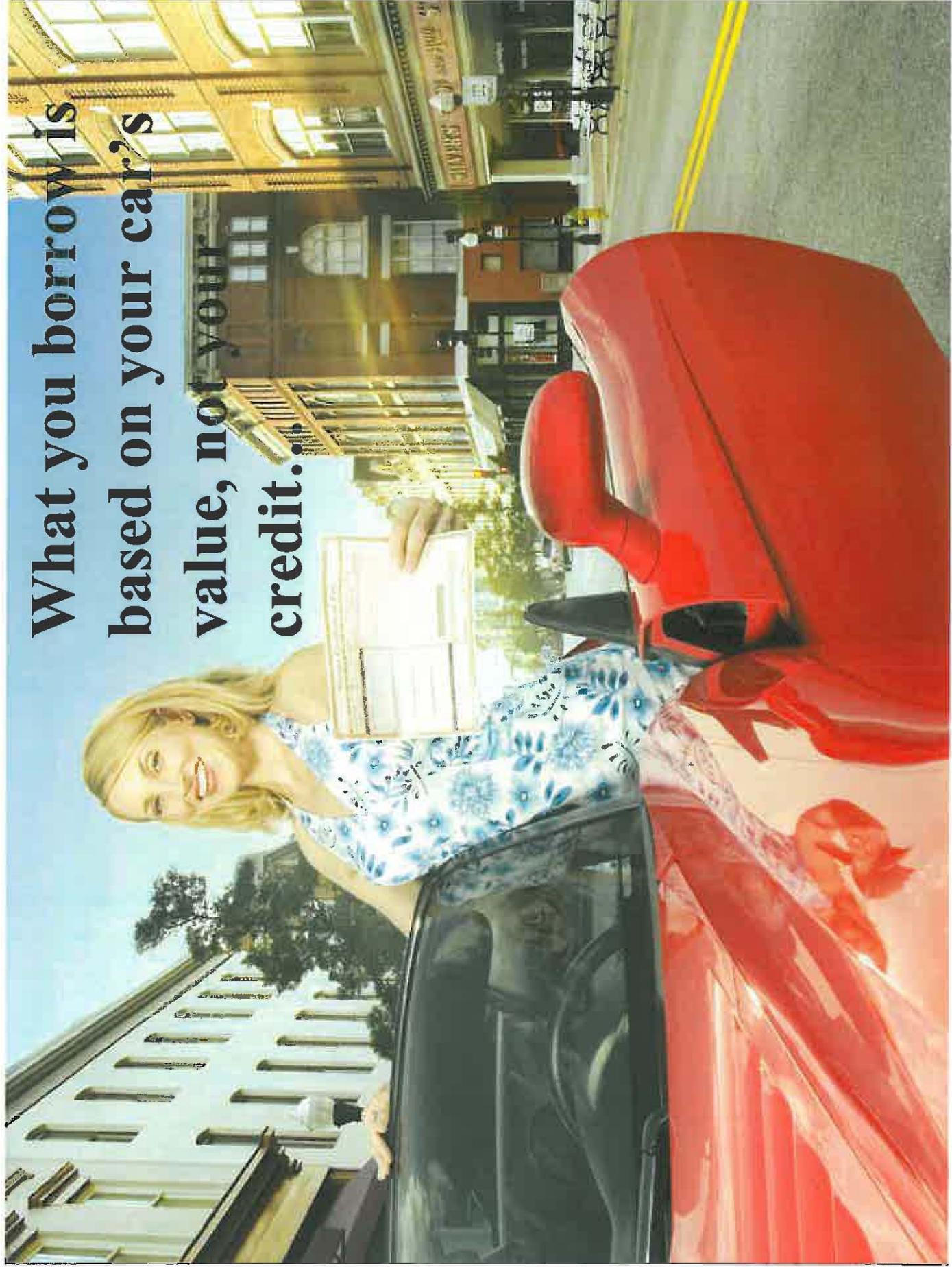
The logo for TITLEMAX, featuring the word "TITLEMAX" in a bold, blue, sans-serif font. The letters are stacked vertically, with "TITLE" on top and "MAX" below it. A thick red horizontal line runs through the middle of the letters, passing behind the "I" in "TITLE" and the "A" in "MAX".

# TITLEMAX



At **TITLEMAX**, you can get the cash you need using just your car title....

**What you borrow is  
based on your car's  
value, not your  
credit.**



# Why use **TITLEMAX**?



When your bank, credit union,  
family or friends say NO !!!!!

With TITLE MAX, if the customer can't make their payment...

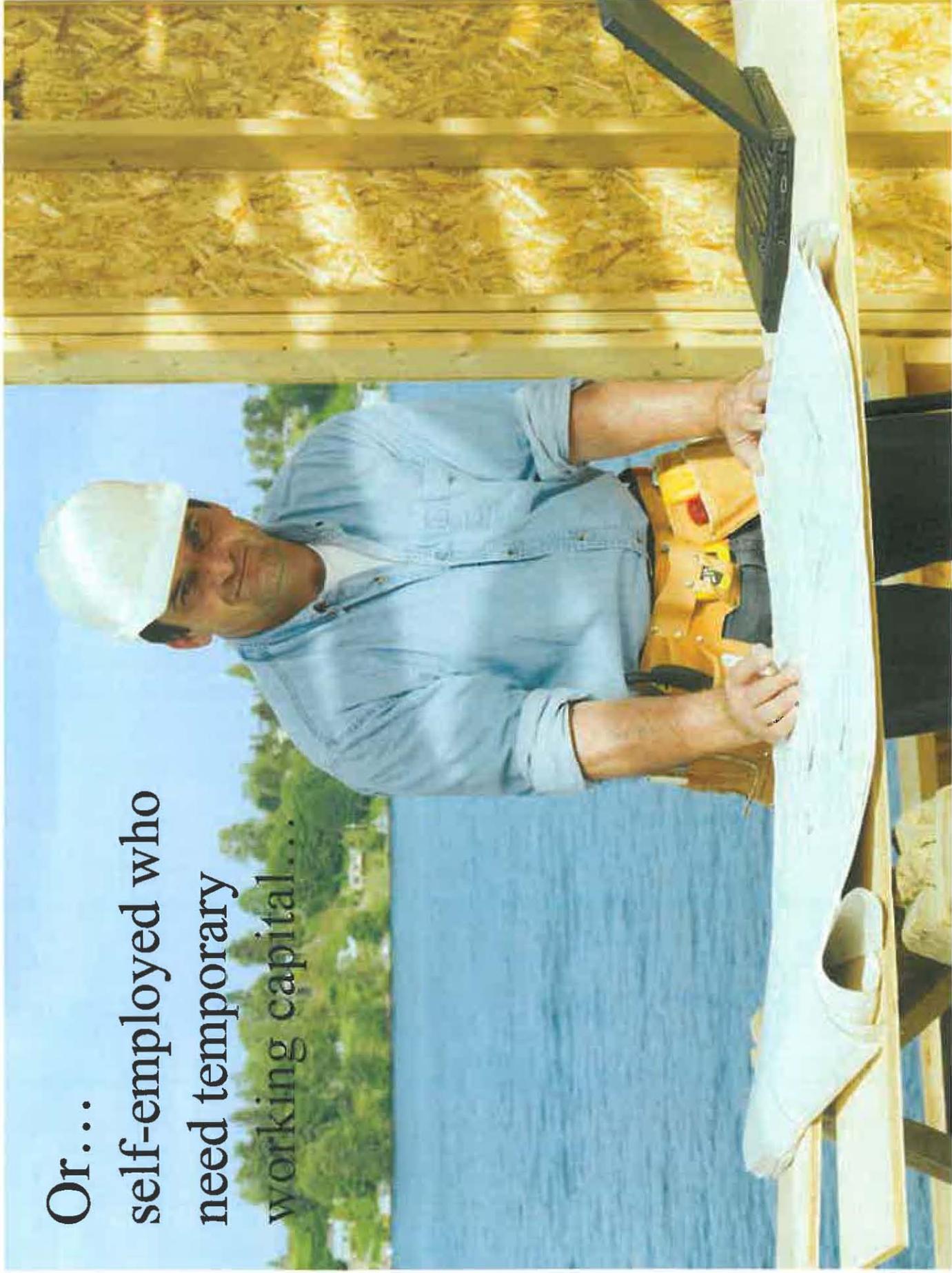
....they can sell the vehicle themselves and pocket the excess proceeds!





Anyone who may be  
credit challenged or  
impaired...

Or...  
self-employed who  
need temporary  
working capital...



You'll never guess who uses

**TITLEMAX.**



Average Age

**44**

Average  
Household  
Income

**\$50,984**

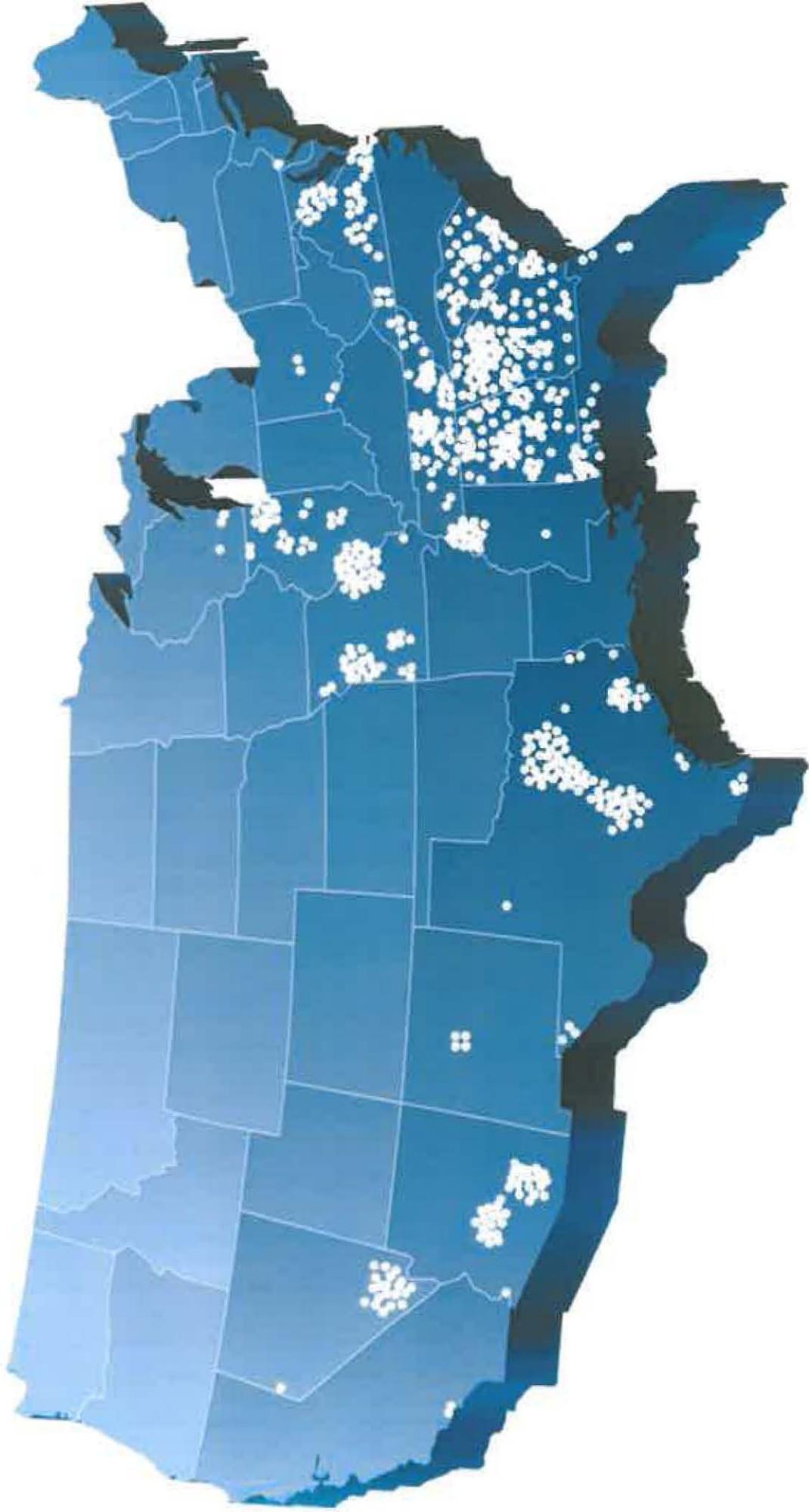
Households  
with 2 or more  
vehicles

**70%**

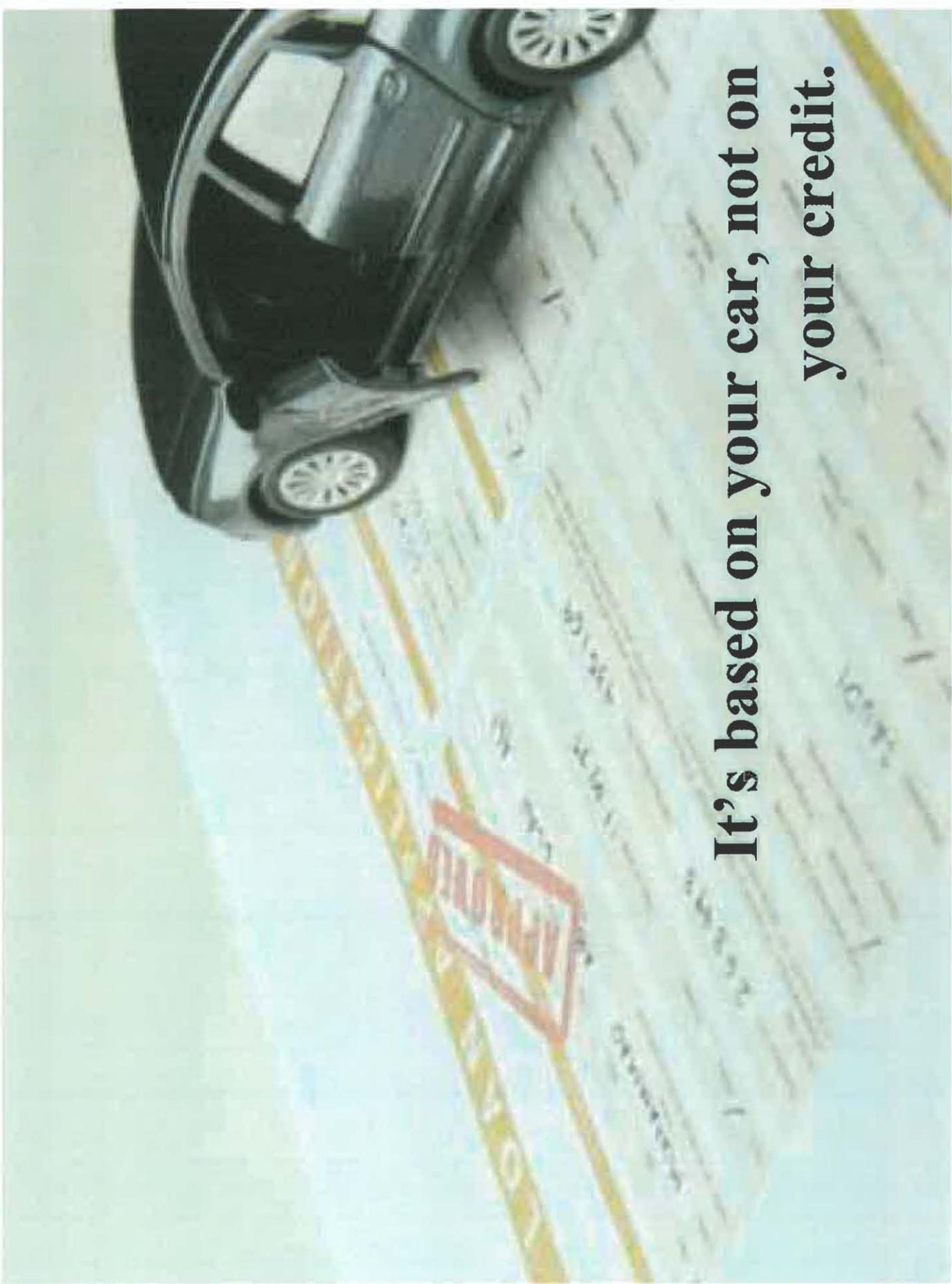
Why do almost  
1,000 new customers  
turn to **TITLEMAX.**  
every day?



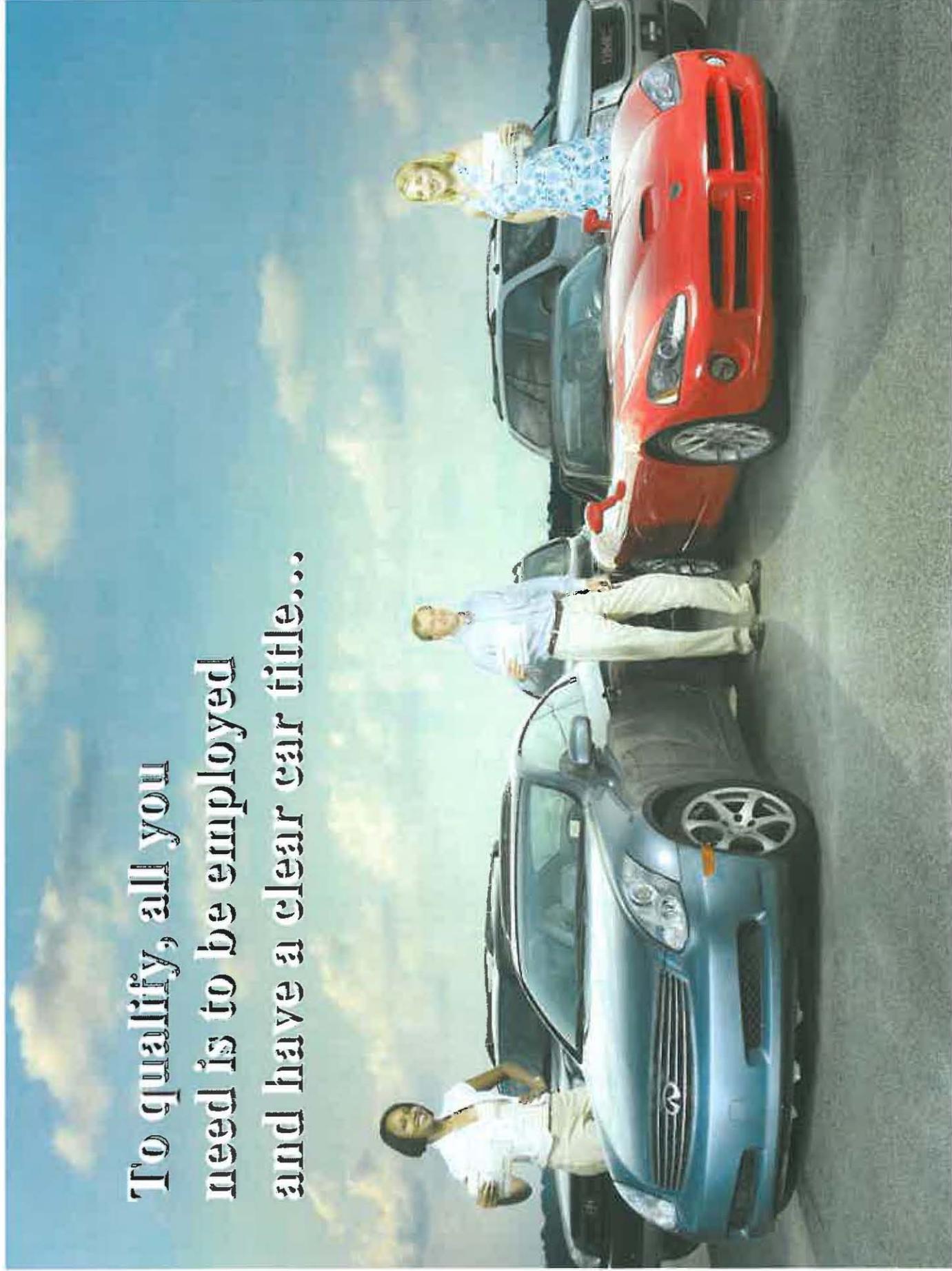
**We have over 1400 locations in 17 states!**



**It's based on your car, not on  
your credit.**



**To qualify, all you  
need is to be employed  
and have a clear car title...**



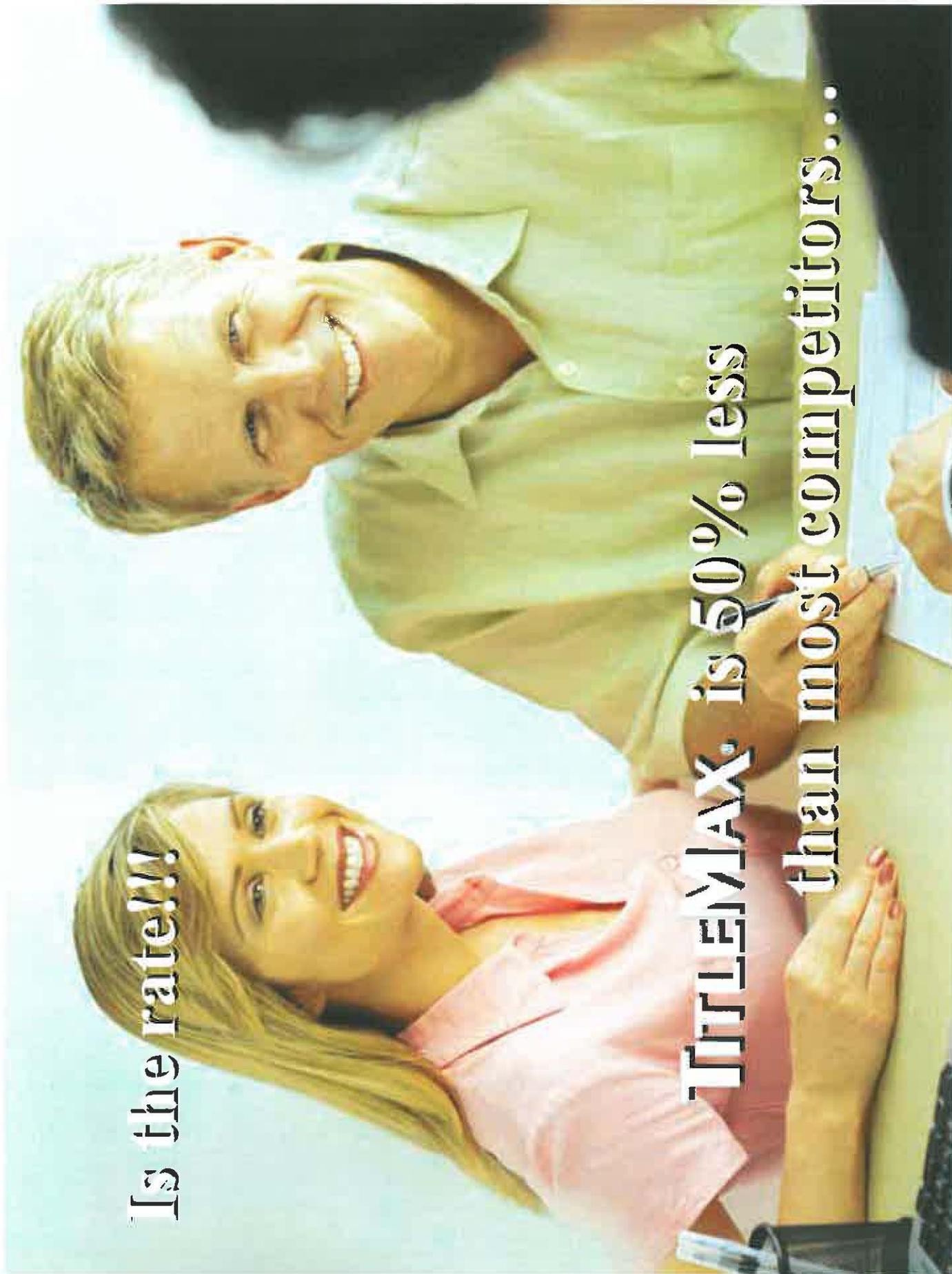
**TITLEMAX**



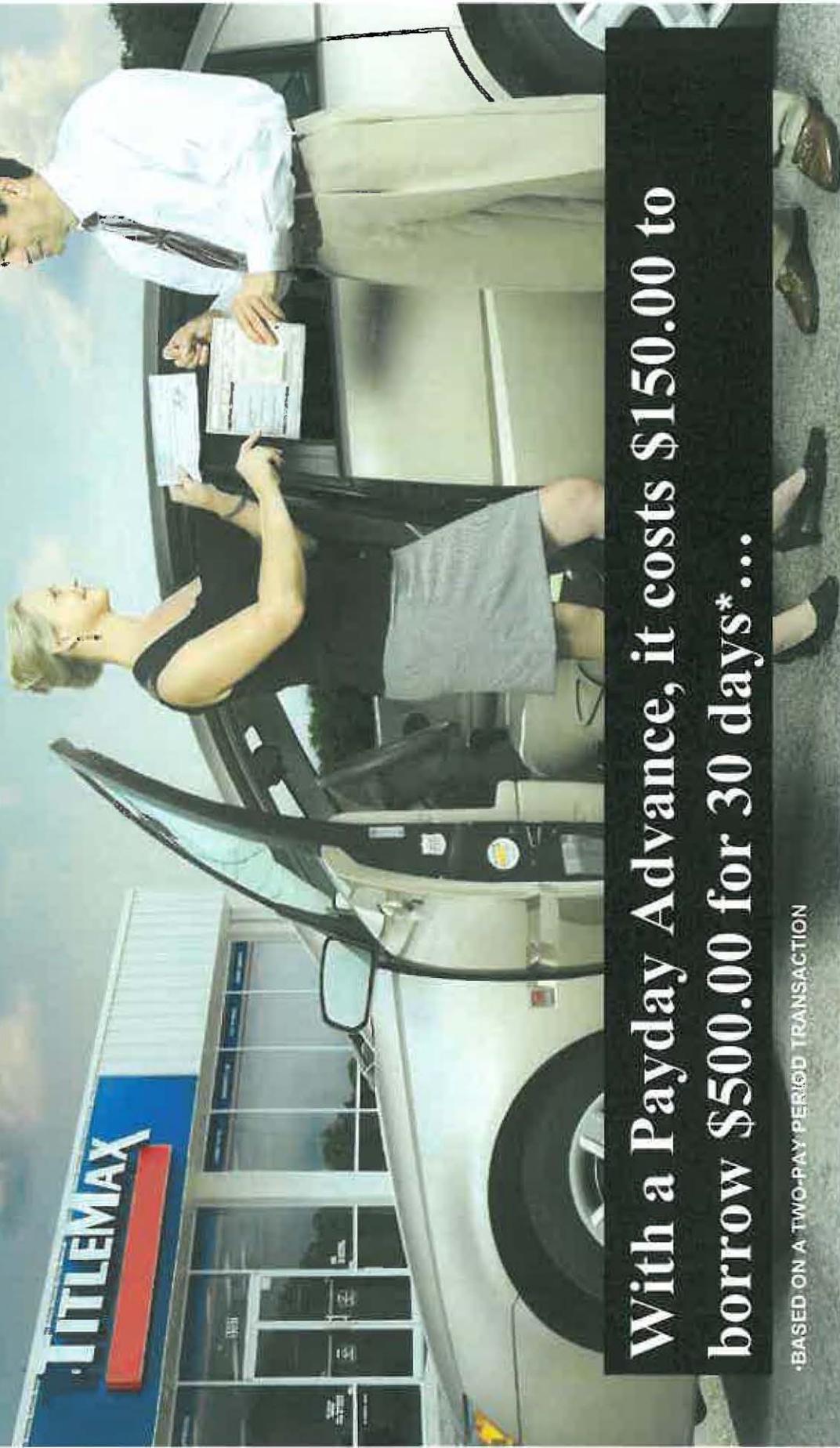
but what really sets **TitleMAX** apart...

Is the rate!!!

**TRILEMAX** is 50% less  
than most competitors...



**With TITLMAX, it costs \$49.95 to borrow \$500.00 for 30 days...**



**With a Payday Advance, it costs \$150.00 to borrow \$500.00 for 30 days\*...**

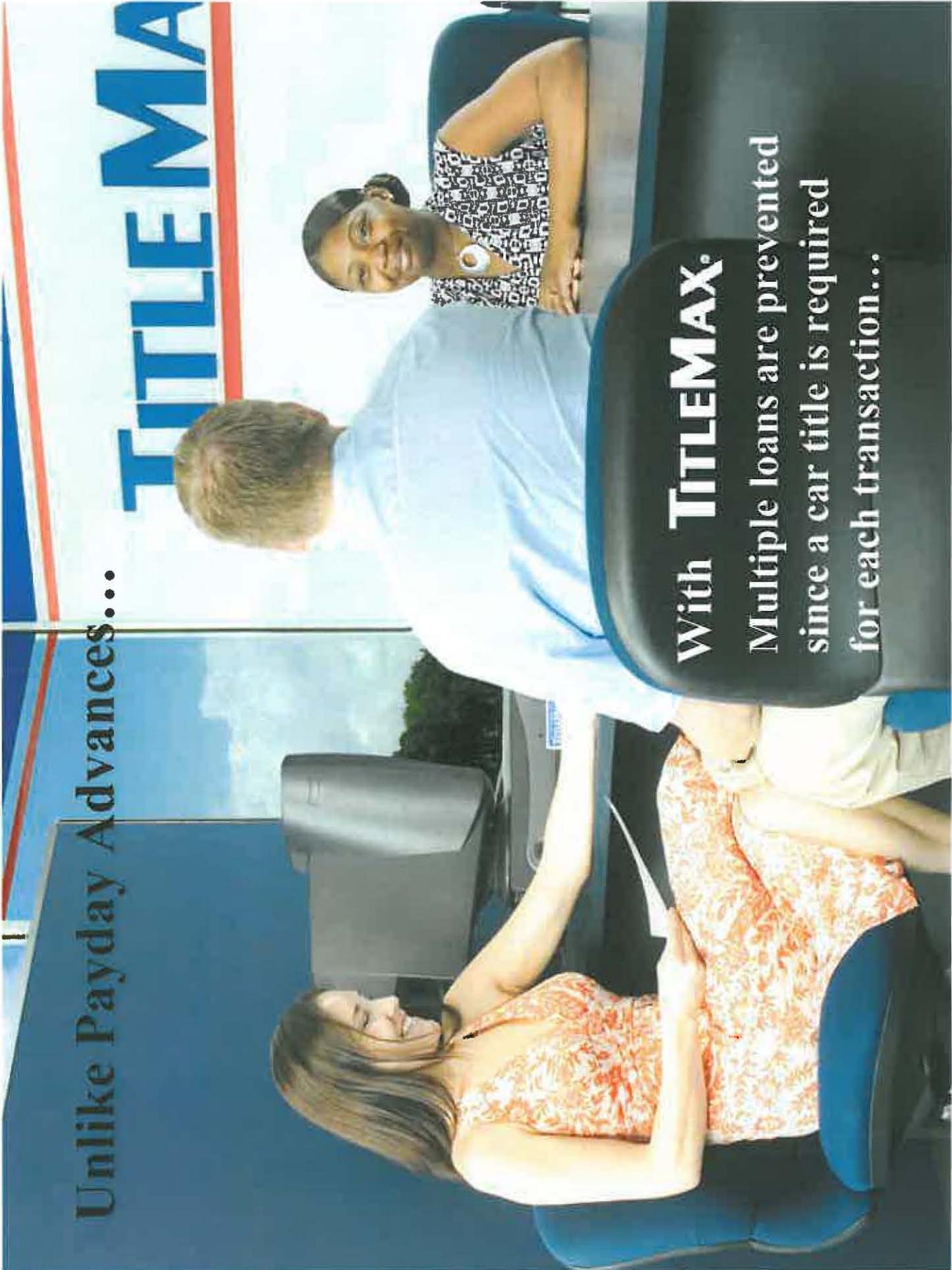
\*BASED ON A TWO-PAY PERIOD TRANSACTION

**Unlike Payday Advances...**

**TITLEMAX**

**With TITLEMAX.**

**Multiple loans are prevented  
since a car title is required  
for each transaction...**



time  
Rewards  
western  
awards

# Comparing Fees...



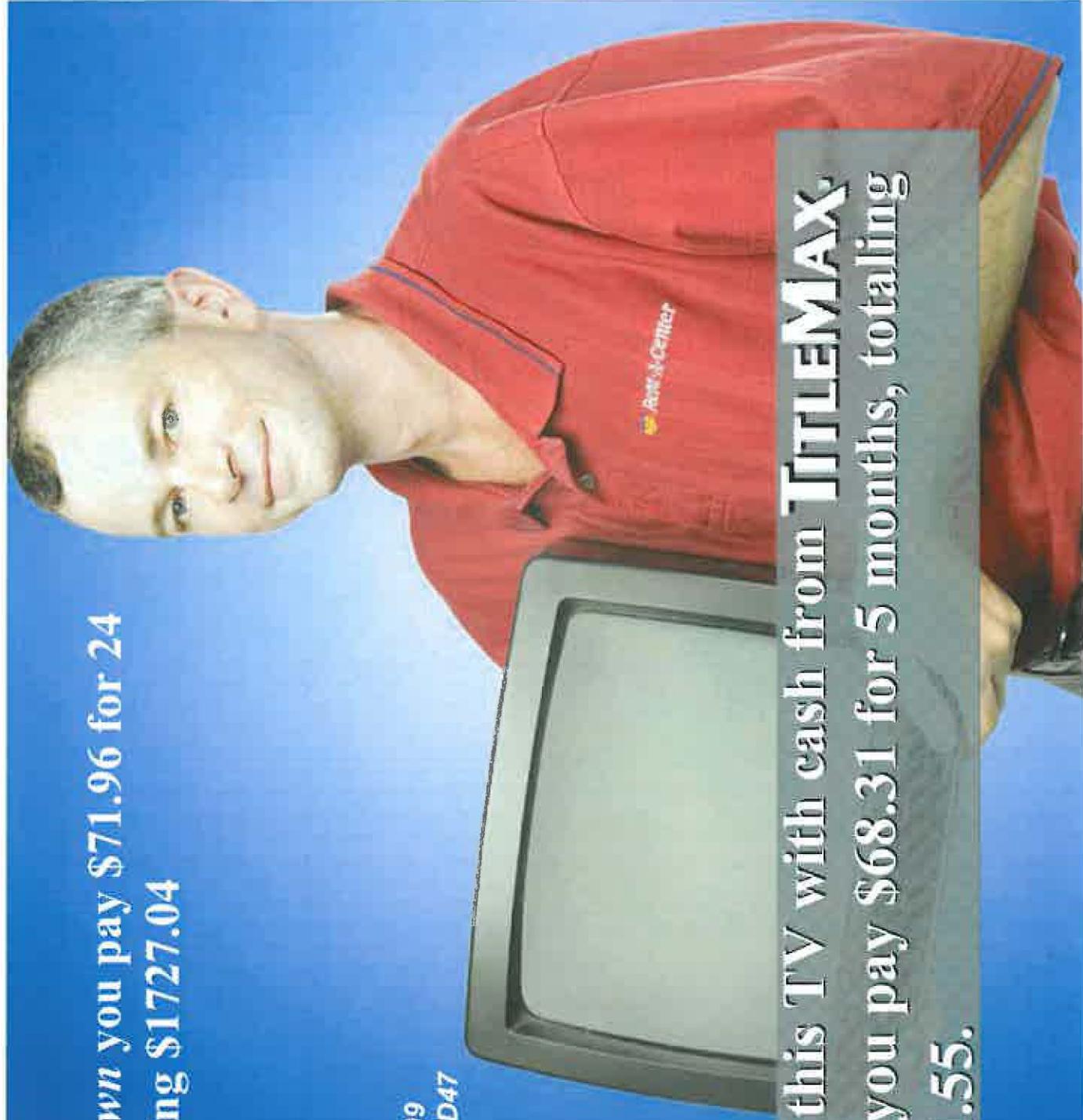
At **TITLEMAX**, you can  
borrow \$500 for 30 days  
cheaper than sending your  
own money through  
**Western Union!**

Borrow \$500 from TitleMax \$49.99  
Send your \$500 through Western Union \$51.00

With *rent to own* you pay \$71.96 for 24 months, totaling \$1727.04 for this TV\*.

Retail Price: \$239.99  
Toshiba Model # 27D47

Buy this TV with cash from **TITLEMAX** and you pay \$68.31 for 5 months, totaling \$341.55.



## Voluntary Payback Guide

Period	Payoff	Beginning Principal	Fee	Payment	Principal	Ending Principal
1	\$100.00	\$500.00	\$10.00	\$100.00	\$100.00	\$400.00
2	\$100.00	344.28	\$10.00	\$100.00	\$100.00	244.28
3	\$100.00	196.29	\$10.00	\$100.00	\$100.00	146.29
4	\$100.00	53.31	\$10.00	\$100.00	\$100.00	43.31
5	\$100.00	23.30	\$10.00	\$100.00	\$100.00	13.30
6	\$100.00	3.30	\$10.00	\$100.00	\$100.00	3.30
7	\$100.00	3.30	\$10.00	\$100.00	\$100.00	3.30

Customer Signature

Date

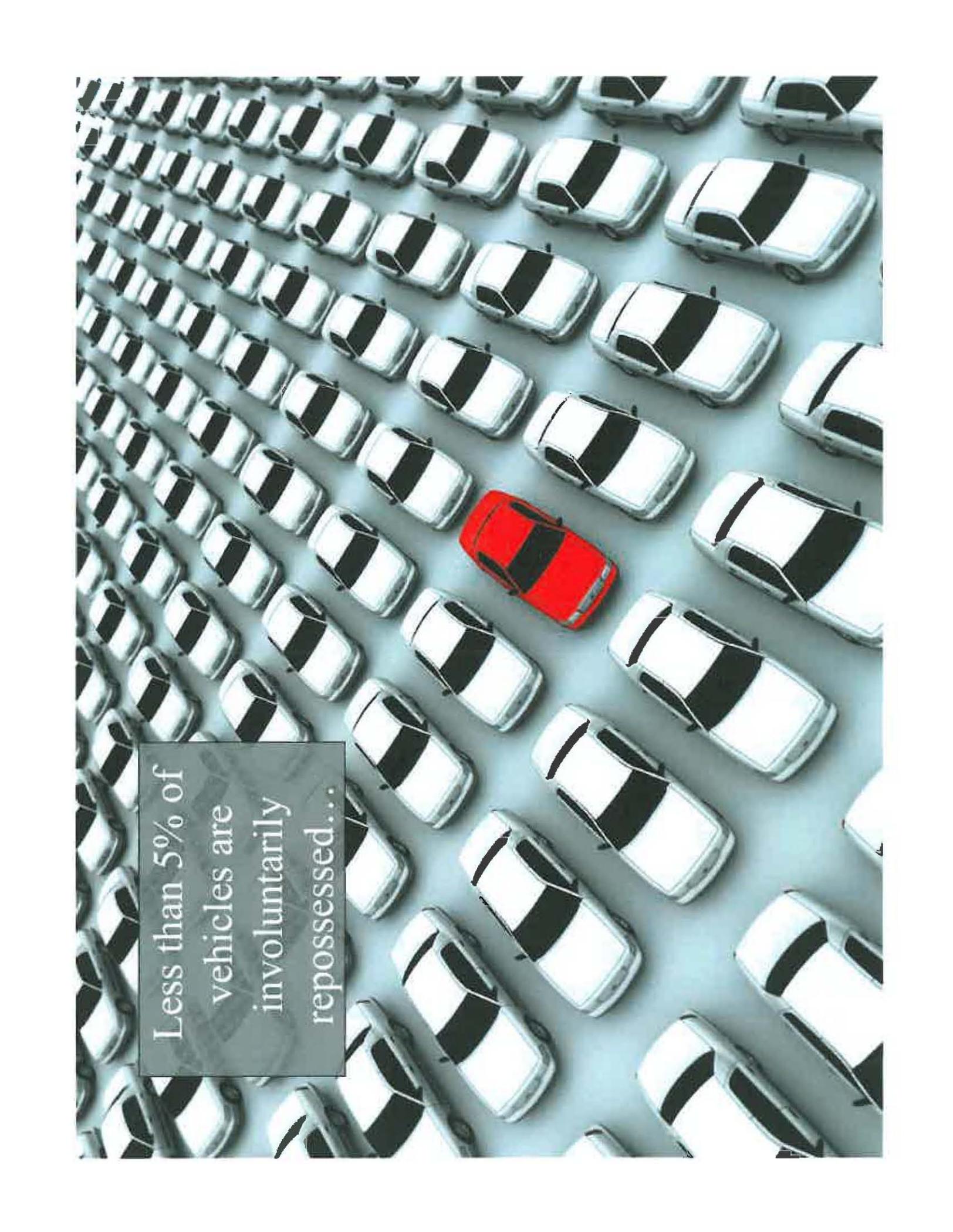
Co-Applicant Signature

Date



# TITLEMAX.

provides an easy-to-understand payback guide which promotes principal repayment !!!

An aerial photograph of a parking lot filled with cars. The majority of the cars are white, arranged in neat rows. A single red car stands out prominently in the middle of the lot. The perspective is from directly above, looking down at the vehicles.

Less than 5% of  
vehicles are  
involuntarily  
repossessed...

In the unlikely event of  
default **TITLEMAX** pays back all  
excess proceeds to the customer...

Pay to the  
Order of \_\_\_\_\_

**Do you wonder why **TITLEMAX.**  
charges more than a bank?**



W S U R A W C F



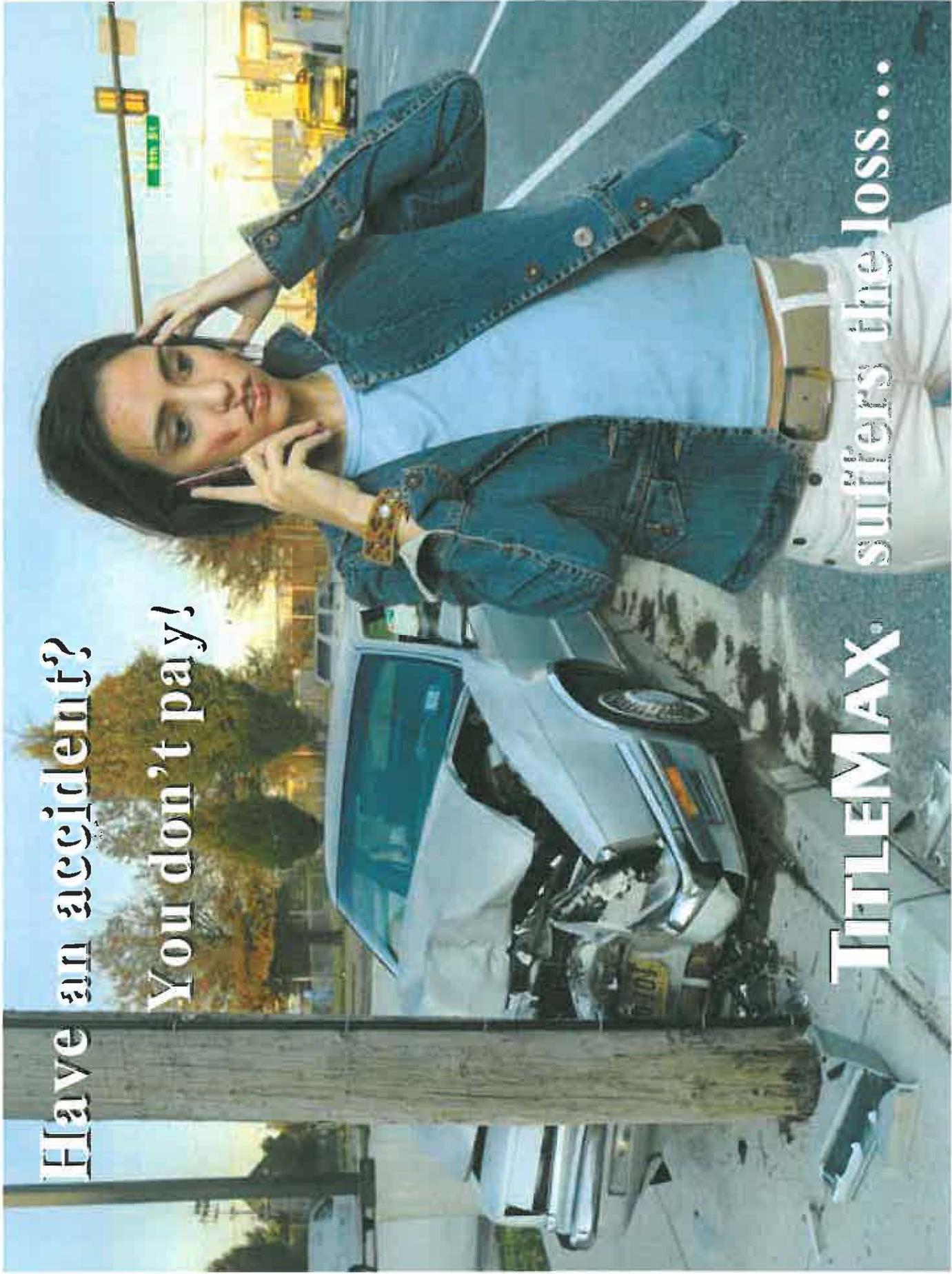
**TITLEMAX<sup>®</sup>** does not sell or require  
costly full coverage collateral insurance...

**Have an accident?**

**You don't pay!**

**TITLEMAX**

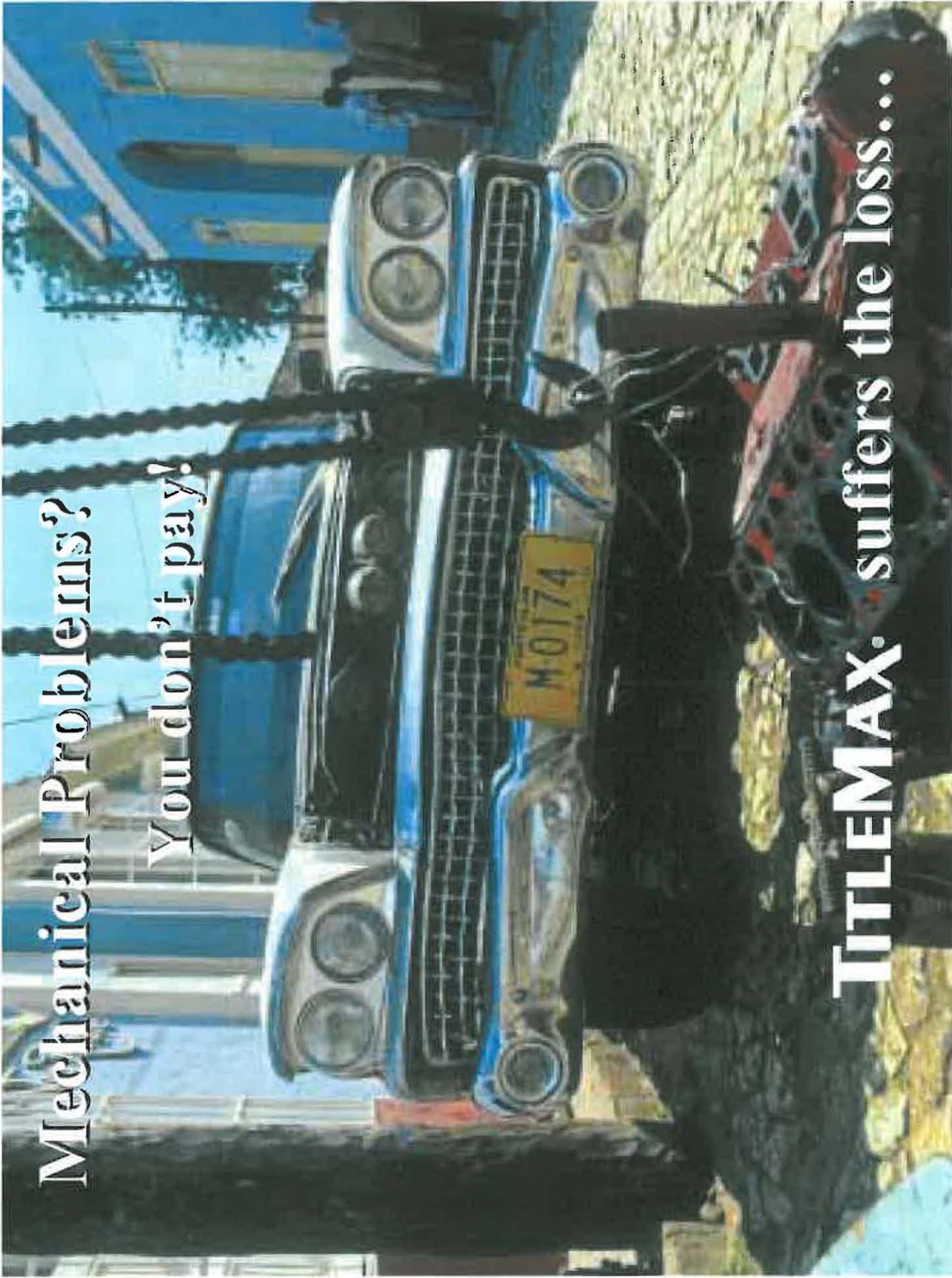
**stillers the loss...**



**Mechanical Problems?**

**You don't pay!**

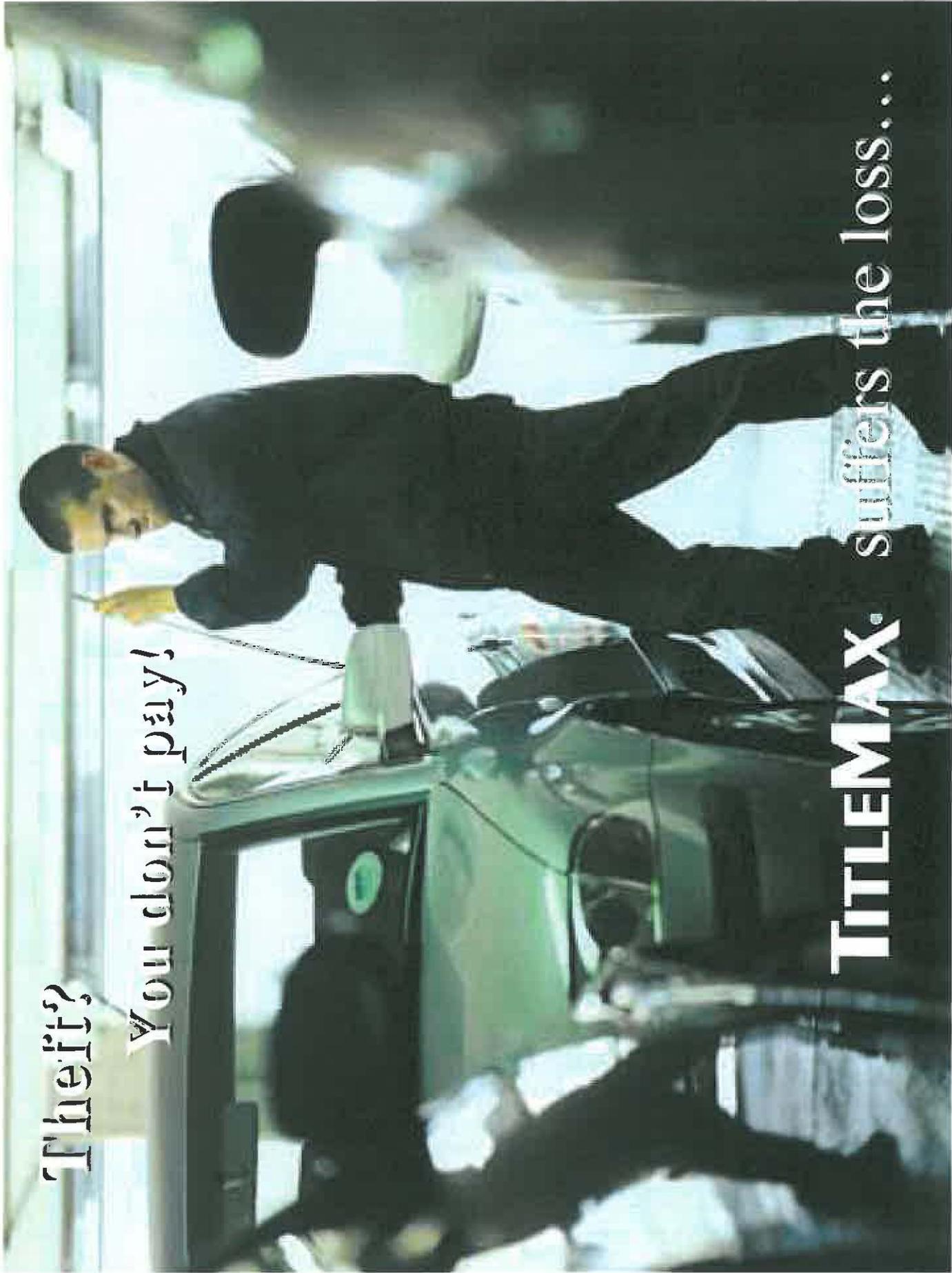
**TITLEMAX. suffers the loss...**

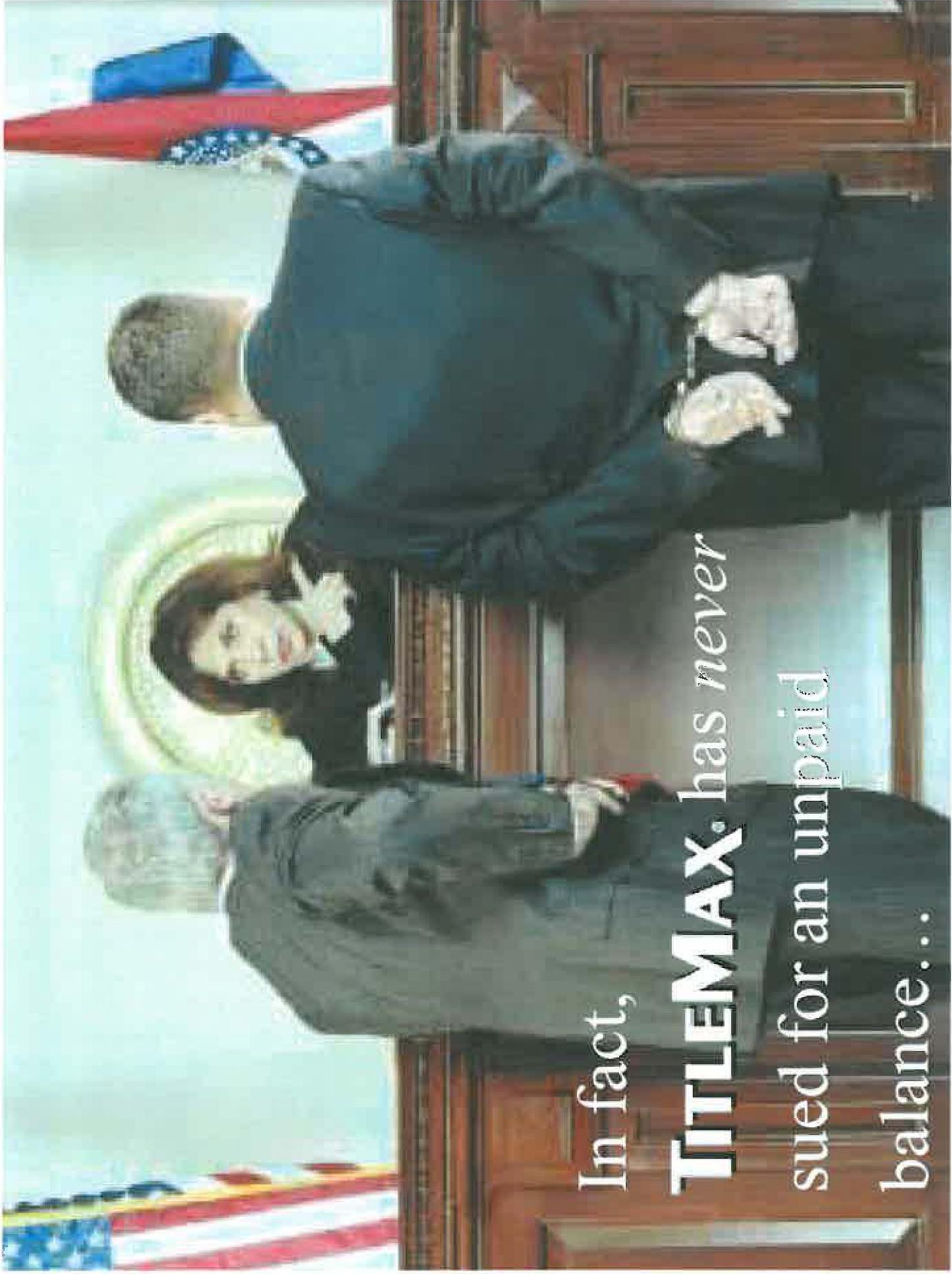


Theft?

You don't pay!

**TITLEMAX.** suffers the loss...





In fact,  
**TITLEMAX** has never  
sued for an unpaid  
balance...

Never garnished anyone's wages for not paying an unpaid balance...



**Or reported to a credit bureau a customer who  
couldn't make their payment....**



So if a **TITLEMAX** customer defaults,  
*their credit is untouched...*

MARQUIS REALTY

**FOR SALE**

567-2597

**SOLD**



A man and a woman in business attire are shown in a meeting, looking at documents. The man is on the left, and the woman is on the right. They are both smiling and appear to be in a professional setting. The background is slightly blurred, showing other people in the room.

...making a **TITLEMAX** transaction

100% Non-Recourse

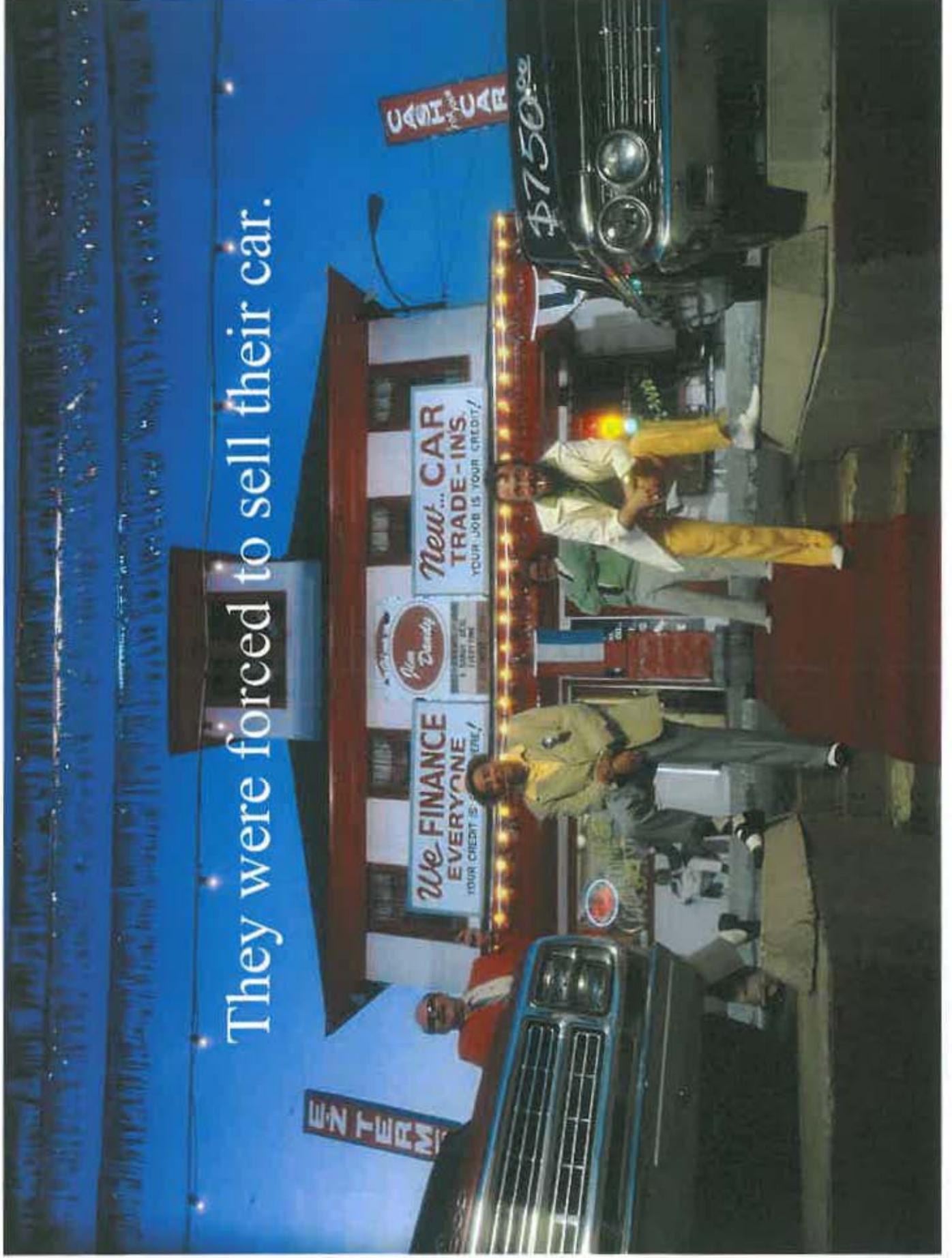
to the Consumer...

And what did people  
do without

**TITLEMAX.?**



They were forced to sell their car.



Thousands of people every week say...



“I got my title back with **TITLEMAX.**”

